

هذا من الاصل

Friday December 16 1977

No. 60,188

Price fifteen pence

THE TIMES

Countdown to a new era in space travel, page 16

IMF loan terms eased and Britain sees early end to its need for credit

Terms of Britain's loan from the International Monetary Fund have been significantly eased according to a new letter of intent published yesterday. The rate of growth in money supply this year, however, has been appreciably understated

because of "misclassification" of certain public sector deposits, the Bank of England has disclosed; while a secret Bank report published in the magazine "Tribune" sees no way of reducing unemployment (Page 19).

Freer hand for Chancellor

By David Blake

The terms of Britain's loan from the International Monetary Fund have been almost eased out of existence for next year, and there is now a serious possibility that the United Kingdom will choose to end its standby arrangement earlier than planned, possibly next May.

A new Letter of Intent to the IMF sent by Mr. Healey on Wednesday, gives approval for all for Domestic Credit Expansion for next financial year and merely says that the Chancellor "expects" that Public Borrowing would be around £1,500m in 1977-78. This would leave room for tax cuts of around £1,800m in the spring Budget.

The most important new element in the Letter, which has been agreed with the team of Fund officials who recently visited London, and is expected to receive formal approval from the Fund's board in the second week of January, is that the ceiling on Domestic Credit Expansion (DCE) of £7,700m for this year has been extended to take in the first quarter of 1978-79. An estimate of £6,000m for DCE for next year has been dropped.

The effect of this will be to postpone the settling of the key elements of financial policy until after the Chancellor has introduced his Spring Budget, thus ensuring that the Budget will be written with a freer hand than would otherwise be the case.

The Fund will then hold detailed consultations in May, during which there may be an agreement on a DCE limit for the rest of next year. The most likely, though certainly not the inevitable, outcome of these

May talks could be, however, that the United Kingdom will wind up its arrangement well before the planned finishing date of January 2, 1979. By putting a decision on the details of the final figures off until next year, the Chancellor has been able to keep open the option of escaping IMF restrictions altogether. The mood in Whitehall and in the Government is very definitely not to have a period of very rapid expansion on the strength of this freedom.

The Chancellor has been able to extend this year's DCE limit into 1978-79 because DCE, which represents the amount of new credit being generated within the country, has been well below the agreed limit so far this year, at just under £1,500m.

Even if it grows more rapidly from now on, the Chancellor is likely to have no trouble in meeting all his needs for the remainder of this year and the first quarter of next financial year out of the £5,200m remaining. Even if he does not, the new pledge is merely that he "expects" to keep DCE within this figure, with no element of a promise or of a firm ceiling.

Indeed, the downgrading of the status of the figures for both Public Borrowing and DCE is typical of the changes which have been made in the status of the Government's various financial targets.

The money supply, for example, is now a "forecast" to be between 9 and 13 per cent this year, but carefully refrains from saying that this is the case. Senior ministers and officials now expect it to overshoot slightly, but are not worried by this, since they feel that they have shown in recent weeks that

they are serious about keeping control of the money supply. The Government promises that it will continue the "counter-inflationary thrust" of its monetary policies.

The Letter also contains the by now familiar list of the Government's successes in reducing inflation and bringing back confidence to the financial markets coupled with an admission that output and the economy has been unsatisfactory.

Credit is given to incomes policy for some of the success and the need for pay restraint to provide the basis for growth in the future is stressed. The Chancellor says that growth of 3 per cent between the second half of 1977 and the second half of 1978 remains possible.

The Letter also stresses that the Government intends to go on running a surplus on the balance of payments current account in order to finance repayment of debt and export credits.

In a paragraph on the exchange rate drafted to conceal the Government's intentions (in which it succeeds admirably), the Government promises to follow a "flexible policy aiming at preserving competitiveness, maintaining monetary guidelines and avoiding disruptive fluctuations in the rate. Not all these things can be done at once, and the Government is also promising to look at other policies (most importantly an easing of exchange controls) to see what part they can play.

The Fund says that growth in the money supply "was forecast" to be between 9 and 13 per cent this year, but carefully refrains from saying that this is the case. Senior ministers and officials now expect it to overshoot slightly, but are not worried by this, since they feel that they have shown in recent weeks that



Second-Lieut. Kyprianou: Kidnapped by night

Cyprus plea for son of President

Nicosia, Dec 15.—The wife of President Kyprianou of Cyprus made an emotional appeal on radio and television tonight for the release of their 21-year-old kidnapped son, threatened with death unless prisoners were released from jail.

Mrs. Mimi Kyprianou, visibly close to breaking down, asked the kidnappers to "have the warmth of my mother's heart" to free the young officer, Second-Lieutenant Achilles Kyprianou.

Referring to 2,000 Greek Cypriots reported missing since the Turkish invasion of the island in 1974, she said: "It is a pity that at a time when we are moving heaven and earth to recover the fate of our missing people, we should be creating missing people ourselves."

As the 10 pm deadline passed, no new word had come from the kidnappers and a government spokesman said: "No concrete demands have been put forward so far."

Lieutenant Kyprianou was abducted last night by two men who drove in a stolen taxi to his home in the foothills of the Troodos mountains and asked to see him at the gate.

A Government statement, issued after an emergency meeting of the Cabinet today, said the kidnappers had made his release conditional on an amnesty for "convicts, persons in custody and wanted persons" on the island. Senior police said this clearly meant jailed and wanted members of the underground movement which aims to link the island in political union with Greece.

Several of its members are now either serving long sentences, awaiting trial or are being hunted by police. The best-known is Nicos Sampson, who fell from power just after being made President in 1974.

However, Mr. Sampson issued a statement from his prison cell this afternoon condemning the kidnapping. "I do not want my release through acts of violence or any other actions which violate the laws of our country," he said.

Eoka-B men two weeks ago and civilian installations struck explosions at British military and civilian installations strung along the south coast of the island.

Senior police linked these incidents to a pending extradition hearing in London against Kyriacos Kalkis, a Greek Cypriot wanted in connection with an alleged political murder.

In London, three British judges today reserved judgment until tomorrow on whether to return Mr. Kalkis to face a murder charge.—Reuters.

Liberals call conference on pact with Labour

By Fred Emery and George Clark

The Liberal Party is to meet on January 21 in special assembly to consider ending its parliamentary pact with the Labour Government, and its own subsequent electoral strategy. The conference site has yet to be agreed, but there is talk of Manchester or Liverpool.

Yesterday, all except one of 14 Liberal peers attending a meeting rejected continuation of the pact. That followed Wednesday's secession day in which Liberals in the Commons drew back from ending the pact.

Mr. Steel, the party leader, knows the pressures he will be under at the special assembly, but colleagues say he is determined to continue his fight for the pact. If the assembly disavows him he may be expected to resign the leadership.

The Liberal peers felt that their colleagues in the Commons had made a mistake. They met under the chairmanship of Lord Byers, their chairman, who was present at the long and heated meetings of the parliamentary party on Wednesday.

He reported on those meetings but did not give his own opinion. As he did not defend the continuation of the pact, it must be assumed that he also opposed the views of Commons.

Lord Banks, vice-chairman of the party's standing committee since 1973, was the most forthright speaker in favour of breaking the pact and preparing for the next election without the handicap of appearing

Continued on page 2, col 5

President Sadat and Mr Begin to have second meeting

From Moshe Brilliant

Tel Aviv, Dec 15

Mr. Begin and President Sadat will meet for the second time, "somewhere in the Middle East" within a week or two. An informed source here said today that agreement had been reached on the time and place before the Israeli Prime Minister left for Washington yesterday.

Details are being kept secret for security reasons and if they are leaked, the meeting place will be changed. The source said that the United States acted as go-between when arrangements were being made.

Mr. Begin is expected to tell President Sadat that Israel is ready to acknowledge Egyptian sovereignty over Sinai, but wants to lease a strip of land along the coast of the Gulf of Aqaba through the tip of the peninsula and obtain a base there for the protection of shipping to and from Elat.

The Israelis also want to keep the north-eastern corner of the peninsula where they have founded a town, Yamit, and build an agricultural settlement. The area is seen as a security buffer between the desert and the Gaza strip, where 400,000 Palestinian Arabs live.

The source said that Mr. Begin's proposed solution for the problem of the Palestinian Arabs envisages granting the inhabitants of the West Bank and the Gaza strip home rule while Israel remains responsible for security. This idea is similar to the proposed

Climbers to attempt Everest with no oxygen

By Ronald Faux

An attempt will be made next spring to climb Everest without oxygen equipment and by a new direct route. Mr. Reinhold Messner, aged 33, from Italy, who is among the world's most formidable mountaineers, and Mr. Peter Habler, aged 35, of Austria, will make the attempt climbing the South Col route up the 29,028ft mountain.

Mr. Messner has already scaled three peaks of over 24,000ft without a supply of oxygen and with Mr. Habler climbed the Eiger north face in the phenomenally short time of 10 hours.

In an interview yesterday he told me of his ambition to reach the summit of the world without artificial aids. "It is not important to climb Everest, but it is a much bigger achievement to go up with my own forces and without tricks," he said. "With a helicopter, 100 Sherpas and oxygen I can stay at home and know that with this technique I shall get to the top. The real achievement is without this technique. Man can reach the Moon with technique, but it is a philosophic question to reach the top of Everest without it."

Mr. Messner is a lanky, amiable man with a thatch of dark hair and a strong recollection of history. In 1974, he said, Colonel E. F. Norton and the British Everest attempt (when George Mallory and Andrew Irvine were lost) reached 28,126ft without oxygen, wearing little more than stout tweeds and nailed boots.

Mr. Carter condemns PLO, page 10

Continued on page 2, col 5

Mr Callaghan attacks MP's spy allegations

By Hugh Noyes

Parliamentary Correspondent, Westminster

The attempt on Wednesday by Mr. Stephen Hastings, Conservative MP for Bedfordshire, to link various leading trade union figures, including Mr. Jack Jones and Mr. Euzel Scanlon, with communist subversion and the undercover activities of the KGB and the Czechoslovak intelligence services was roundly condemned in the Commons yesterday by Mr. Callaghan.

Mr. Hastings based his allegations on sections of a much publicised book by Mr. Josef Frolik, a Czech defector. The Conservative leadership had supported Mr. Hastings' allegations, although Mr. Pym suggested that there should be an investigation into the assertion that Sir Harold Wilson sent an MI5 official to the former Prime Minister had exonerated Mr. Stonehouse from spy charges.

Mrs. Thatcher and Mr. Whitelaw, shadow Home Secretary, were both on the Tory front bench yesterday but both remained silent. Mr. Hastings had declined to appear on a television programme with Mr. Heffer, Labour MP for Liverpool, Walton, to discuss his charges.

It was clear yesterday that the Prime Minister had no intention of giving weight to Mr. Hastings' accusations by setting up an inquiry.

Recently Mr. Frolik had been embroiled in the original story told when he was deflected some years ago, Mr. Callaghan said.

Mr. Callaghan told the House that he was extremely surprised by Mr. Hastings' allegations and by the fact that he had made them without previous discussion. Mr. Hastings had not approached him, although the allegations had been "floating around" since January, 1974, and had been investigated.

After the exchange, Mr. Hastings and Mr. Callaghan, the other MP who raised the matter on Wednesday, stated that they would pursue the Frolik allegations in the Commons. The two questioned that he conspicuously refrained from answering: Does the Government have the Frolik tapes, and why is the Prime Minister unwilling to set up an independent inquiry?

Allegations "silly": Mr. Jack Jones yesterday dismissed Mr. Hastings' comments as "silly allegations" (the Press Association reports). He said on the BBC radio programme *The World at One* that to the best of his knowledge he had never met Mr. Frolik.

Parliamentary report, page 12

Provisional Sinn Fein documents seized

From Christopher Walker

Belfast

Police and troops in Northern Ireland broke with long accepted tradition early yesterday and launched an intensive security operation against Provisional Sinn Fein, the political wing of the Provisional IRA.

The controversial move is understood to reflect government determination to end what is regarded as the convenient hypocrisy under which legalised Sinn Fein is permitted to arrange propaganda on behalf of the outlawed IRA.

Although the two wings are theoretically separate there has been a long history of senior members switching between them. At present, the vice-president of Sinn Fein is Mr. David O'Connell, a previous chief of staff of the Provisional IRA.

More than 400 policemen and soldiers took part in coordinated raids against private houses, offices and a printing works in the provincial town of Lurgan, where an estimated 20,000 copies of the weekly *Republican News* were seized. The manager and owner of the printers were arrested.

Last night there was anger in many republican areas of Belfast when it emerged that at least 17 members of Sinn Fein, including some women, had been arrested. Under Northern Ireland's anti-terrorist laws all can be held for up to seven days without charge.

The effects of the operation were clearly visible in the battered building in Falls Road, Belfast, that houses the offices of the Belfast Republican Press Centre and Sinn Fein's grandiose named International Affairs Bureau, a section that maintains regular contact with extremist groups throughout the world.

According to eyewitnesses, five British Army lorries pulled up outside the building shortly after 2 a.m. The door was forced and practically the entire contents of the building removed in the trucks. Among items seized was a machine used to relex to the media IRA claims of responsibility for incidents.

According to Sinn Fein officials, the police also took away books, pamphlets, posters and detailed lists of the organization's international contacts.

"The raids were a deliberate attempt to stifle an alternative voice," a representative said. "They are directly comparable to the South African Government's attempts to close down the black freedom press."

Senior Belfast police sources denied that the raids were an attempt to prevent legitimate political activity. They said the operation should be seen in the context of a continuing investigation into links with criminal activity between the two wings of the Provisional IRA.

It was disclosed that senior Scotland Yard officers were closely involved in planning the raids.

Money growth error corrected

By John Whitmore

It became clear yesterday that the rate of growth in the money supply so far this year has been appreciably understated.

The latest figures for the banking month to mid-November show that sterling M3, the broad-based definition of money supply, grew by 13 per cent making the annualised rate of growth over the first seven months of the present financial year 13 1/2 per cent.

Although this remains slightly above the Government's target of no more than 12 per cent growth over the full 12 months, the annualised rate has dropped back from the 14 1/2 per cent figure at the six-month stage.

The Bank of England dis-

closed yesterday, however, that the previously published figures had understated the rate of growth. This occurred because certain public sector deposits had been misclassified in banking returns as interbank deposits and as a result were not counted in the M3 figures.

Precisely how this happened is not clear and, adding to the mystery, is apparent that the authorities would not normally have expected this money to have been held in the form of bank deposits.

Although the authorities are coy about revealing more details, they did say there was no question of malpractice. However, had these deposits, probably amounting to about

£400m, been included in the money supply statistics, the rate of growth in sterling M3 so far this year would have been 8 1/2 per cent rather than the published 7 1/2 per cent. That would have meant the money supply was rising at an annualised rate nearer 15 per cent.

Although the authorities now recognise that the error has occurred, they are not too perturbed at it in terms of controlling monetary growth. The deposits are expected to be unwound by early January, and the full year outcome for monetary growth is not expected to be any different from what it would have been had the deposits never been placed in the banking system in the first place.

Move to get high-flyers into industry

By Diana Geddes

Education Correspondent

The Government has asked five polytechnics to set up special five-year degree courses in manufacturing for high-flyers in an attempt to bring British industrialists up to the standards of their elite European counterparts.

Letters have been sent by the Department of Education and Science to the North East London, Haringey, Lanchester, Portsmouth, and the University of York polytechnics asking them to consider developing courses "of very high quality with a pronounced orientation to manufacturing industry."

The Government hopes that the courses will be ready to start in 1979. Students would be eligible for the Government's new industrial scholarship scheme, due to begin next year, under which those of exceptional ability will be awarded scholarships, half paid by the Government and half by the sponsoring company, in addition to their normal student grant.

The Government's reply last September to the third report of the Commons Select Committee on Science and Technology emphasized that a better supply of well qualified and well motivated scientists, engineers and technologists was essential.

The main difficulty was how to attract more students of higher ability and motivation into engineering courses, the letter says. The new financial incentives should help, but the courses would have to set new objectives for bright pupils.

While the main component of such a course would be engineering studies to honours level, the aim would be to incorporate carefully selected aspects of other subjects, such as business studies, management and possibly a modern language.

Firemen will seek to win a better offer

Leaders of the Fire Brigades Union are seeking to improve the timetable attached to the local authorities' pay formula. At a meeting on Monday they are expected to press the employers for a bigger slice of a two-stage cash award next year. The meeting offers the first real hope of a settlement since the strike began. Page 2

Jobs laws scrapped

Half of South Africa's job reservation laws which stop blacks having certain white occupations are being scrapped. But the ludicrous situation whereby blacks are employed illegally as bricklayers has to use garden trowels and housewives purchase properties with either an undercoat or a top coat but not both, will remain since job reservation stays in that industry. Page 10

Mines minister sacked

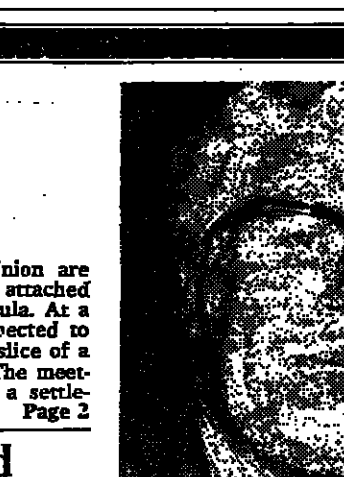
President Ceausescu dismissed his Minister of Mining, four months after a strike by 35,000 Jiu valley coalminers. Strikes are illegal in Romania. No reason has been given for the minister's dismissal. To end the August strike, President Ceausescu was forced to announce a pay rise, higher pensions, better working conditions and improved food supplies. Page 10

Heat stays on dollar

A series of measures by the West German Government aimed at holding down the soaring Deutsche mark against the dollar was given a cool reception on the foreign exchange markets. Sales of dollars resumed soon after the Bonn announcement and the American currency after many fluctuations, closed little changed on Wednesday's record low. Page 19

MP wins his appeal

Mr. Fergus Montgomery, Conservative MP for Altrincham and Sale, won his appeal against a conviction for stealing two books worth £8.90. The judge at Inner London Crown Court Appeals Committee said the committee was not satisfied that at the time Mr. Montgomery took the books he was dishonestly motivated. Page 2



Leaving Leyland: Mr. Alex Park, former chief executive of British Leyland, is leaving the state-controlled motor group early next year because he is unable to work within the new framework since the group was reorganised. Six weeks ago Mr. Michael Edwards was brought in as executive chairman and Mr. Park, 51, was effectively demoted to executive vice-chairman. Mr. David Andrews, at present managing director of Leyland International, will take his place. Page 19

New Dutch Cabinet

Mr. Andreas van Agt formed a centre-right Government last night, breaking Holland's 204-day political crisis. The new Christian Democratic-Liberal coalition commands a slender majority in Parliament. It will be sworn in on Monday. Page 8

Riot holds up Test

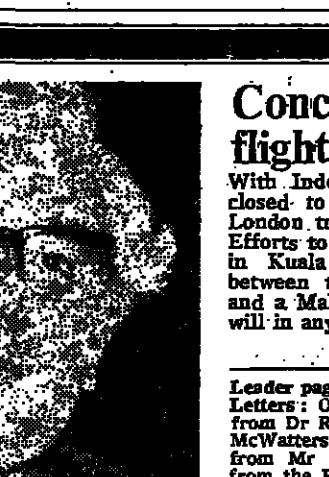
Rioting interrupted for 45 minutes the first Test match between Pakistan and England in Lahore. The trouble started when a spectator, who had run on to the field to congratulate a batsman on 50, was in a scuffle with the police. Page 26

Fourth appeal: The cases of two men convicted in 1970 of murder are to come before the Court of Appeal for the fourth time

Pictures saved: The Tate Gallery has raised £140,000 to save for the nation two pictures by Stubbs. Page 2

EEC: 20 British universities and polytechnics are to receive grants to help to pay for joint courses of study. Page 8

Bahrain: An eight-page Special Report on this off-shore service centre in The Gulf. Page 2



Concorde Singapore flight in doubt

With Indonesian and Malaysian airspace closed to Concorde, today's flight from London to Singapore is in serious doubt. Efforts to find a solution were continuing in Kuala Lumpur last night in talks between the British High Commissioner and a Malaysian minister. Today's service will in any event operate as far as Bahrain. Page 10

5 pc award upsets state board chiefs

By Malcolm Brown and Peter Hill

Mr. Callaghan caused fury among nationalised industry chiefs last night with the announcement of a 5 per cent pay award to industrial board members earning more than £13,000 are to get the 5 per cent increase from January 1, 1978. Those paid less may get up to 10 per cent. The Prime Minister said in the Commons that the lower percentage applied to salaries above £13,000.

The decision was immediately condemned as "an incredible neglect of public duty" by Mr. Denis Roddy, chairman of the Association of Members of State Industry Boards. The association represents more than 80 per cent of the full-time directors of the British Airports Authority, British Gas, the National Coal Board and the Post Office.

Sir Denis Roddy, chairman of the British Gas Corporation, who heads the Nationalized Industries Chairmen's Group, said he was bitterly disappointed.

The salaries of state industry board members have remained substantially unaltered since 1972, despite the recommendations of the Boyle Committee on Top Salaries in 1974.

Mr. Callaghan said yesterday that the recommendations of the top salary review body were for increases of the order of 30 per cent on average, and considerably more for some individuals. The salaries of this group were at present significantly out of line with their counterparts elsewhere, he conceded.

He promised that the Government would look again at the situation when the top salaries review body made its next recommendations in April.

However you look at it, we were the first to bottle scotch.

Dewar's

For those with a taste for the original.

Dewar's were the first to sell whisky in branded bottles.

HOME NEWS

Firemen will concentrate efforts on winning concessions over phasing of employers' pay plan

By Donald Macintyre
Labour Reporter

Leaders of the Fire Brigades Union will press at negotiations on Monday for an improvement in the timetable attached to the local authorities' pay formula for firemen.

The meeting was arranged yesterday after informal talks between Mr Terence Parry, general secretary of the FBU, and Mr Brian Rushbridge, secretary of the employers' side of the National Joint Council for the Fire Service.

The union is expected to concentrate on trying to persuade the employers to modify their plan to implement the formula in two stages, November, 1978, and November, 1979.

Although the FBU remains committed to seeking more than 10 per cent from last month, its best chance of progress appears to rest with winning a bigger slice of the cash available next year.

A 12-point document drawn up by the employers and not

accepted by the executive on Wednesday provided for a staging that would give firemen average earnings of £89 a week in November, 1978, and £102 a week 12 months later.

So far the Government's guarantee that the formula would be protected applies only to that phasing plan. Informal consultations by both sides with the Home Office are expected over the weekend.

The fact that Monday's meeting is taking place at all, when there is no indication whatever of more than 10 per cent as an immediate increase, offers the first real ray of hope of began over four weeks ago.

Support from railmen: Train drivers' leaders yesterday voted unanimously to give the striking firemen £1,000 more from their union funds and criticized the Cabinet for "inflexibility" over the 10 per cent pay guideline.

Fewer fires: The number of fires in the London area has fallen since the firemen's strike started five weeks ago to less than half that in a similar period last year (a Staff Reporter writes).

Yesterday, Mr Peter Darby, chief officer of the London Fire Brigade, praised public vigilance, but said a disaster might occur if a settlement was not reached quickly.

Mr Darby was speaking at a press conference called to deny reports that senior officers had cashed in on the strike and were earning large amounts in overtime and allowances.

"We have not paid operational senior officers' pay more than their salary," he said. He hoped that the strike would be over before Christmas, which was a high-risk time. The number of fires had dropped greatly, but deaths from fires had been about average.

In the first four weeks of the strike, which started on November 14, there had been 4,212 calls referred through the police. As a result, 1,049 fires were attended by fire-fighting soldiers and 12 people had died in those outbreaks.

Parliamentary report, page 12

Yesterday, Mr Peter Darby, chief officer of the London Fire Brigade, praised public vigilance, but said a disaster might occur if a settlement was not reached quickly.

Mr Darby was speaking at a press conference called to deny reports that senior officers had cashed in on the strike and were earning large amounts in overtime and allowances.

"We have not paid operational senior officers' pay more than their salary," he said. He hoped that the strike would be over before Christmas, which was a high-risk time. The number of fires had dropped greatly, but deaths from fires had been about average.

In the first four weeks of the strike, which started on November 14, there had been 4,212 calls referred through the police. As a result, 1,049 fires were attended by fire-fighting soldiers and 12 people had died in those outbreaks.

Parliamentary report, page 12

Parliamentary report, page 12

Parliamentary report, page 12

Parliamentary report, page 12

Parliamentary report, page 12

Parliamentary report, page 12

Omissions from new doctrinal authority

By Our Religious Affairs Correspondent

A new composition for the Doctrinal Commission of the Church of England was announced today. Many of the theologians associated with public controversy over the doctrine of the incarnation have not been reappointed. That includes some of those who sprang to the defence of the doctrine, as well as those who criticized it in the book *The Myth of God Incarnate*.

Of the controversialists, the previous chairman, Professor Maurice Wiles, Regius Professor of Divinity at Oxford, is the most notable omission. The new Bishop of Birmingham, Dr Montefiore, and Professor Geoffrey Lampe, of Cambridge, have also been left out.

Professor John Macquarrie and Canon Michael Green, both contributors to *The Truth of God Incarnate*, are also omitted.

The old commission's most famous work was the report "On Christian Believing", which discussed how modern man should regard the creeds and the scriptures.

The new commission has been asked by the Archbishop of Canterbury and of York to engage in basic theological thinking; to service the bishops of the Church of England particularly by showing how the insights of theological study can be communicated at the popular level; to deal with the theological level with the beliefs of other churches, especially churches in the Anglican Communion; and to feed in "the insights of secular thought" to the church's study of theology.

The new chairman is the Bishop of Winchester, Dr John Taylor. Other members are Canon J. A. Baker, the Rev John Barton, Professor John Bowker, Canon John Drury, Canon S. J. Halliburton, the Rev Anthony Harvey, Canon David Jenkins, Mr J. R. Lucas, Canon John Macquarrie, the Rev Robin Nixon, the Rev Anthony Threlton, and the Bishop of Ripon, the Right Rev David Young.



Mr Reinhold Messner: "It is necessary to move quickly to reach the top."

Weather is crucial for climb

Continued from page 1

Mr Messner and his partner will have the benefit of modern down-filled clothing, triple-thickness boots, a final assault tent weighing only one kilo and an ultra-lightweight rope.

"It is necessary to move quickly," he said. "Three days is the most we can expect to reach the top. After that the body deteriorates too quickly."

The tactics will be critical. If the unclimbed pillar of rock along the edge of the south-west face is impassable they will attempt the Bonington route, "the hard way" up Everest, climbed in 1975. If that has no accommodating thickness of snow and ice on

it, the pair will attempt a "gasless" ascent of the longer South Col route. Everything, Mr Messner said, would depend on the weather.

The expedition is being sponsored by HTV Ltd and the climbers will be augmented by Mr Eric Jones, a leading Welsh mountaineer, and Mr Leo Dickinson, expedition photographer. Mr Messner yesterday gave the chance of success as even.

In 1924 Colonel Norton had insisted there was nothing in the atmospheric conditions between 28,000 and 29,000ft to prevent a fresh fit party from reaching the top without oxygen equipment. Mr Messner agrees with him.

"The psychological approach is most important," he said. "I know that I have climbed Nanga Parbat, the hidden peak, and Manaslu without great distress. On three other 8,000-metre peaks we turned back. It is not intelligent to go on when everything is bad."

"If I reach only a few hundred feet from the top of Everest and cannot go on, I shall turn back. I shall know it is not possible for me and that will be proved." He would not attempt the summit with oxygen, simply because he would not be carrying any.

Soon Mr Messner will begin a training ritual of climbing at least 3,000ft every day at speed. There will be high-altitude training in Africa, after which he expects his pulse rate to drop to 42.

Twice last year he flew over Everest in an unpressurized aircraft without an oxygen mask. Everest will provide him with ample material for another ascent. He is a prolific author, having written 10 books on his adventures.

"In alpinism now it is the ideal to use fewer aids and the ultimate is to climb Everest without oxygen," he said. Colonel Norton would doubtless heartily approve.

Court will consider case for a fifth time

By Marcel Berlins

The cases of Michael McMahon and David Cooper, convicted in 1970 of the murder of a Luton sub-postmaster, are to come before the Court of Appeal for an unprecedented fifth time.

Mr John, Minister of State, Home Office, said in the Commons yesterday that the reference to the court by the Home Secretary under the Criminal Appeal Act, 1968, did not necessarily indicate that Mr Rees believed the men were wrongly convicted. The court would merely be asked to rule on the acceptability of new evidence not previously before it.

The evidence is that of Mr Richard Hurn, who has told the police that he saw Mr McMahon in London on the day in 1969 when the Luton murder took place, at a time that would have made it impossible for him to have committed the crime.

Mr Hurn was recently interviewed by Det Chief Supt Roy Ranson, who submitted a report to the Home Secretary.

The two men, together with Patrick Murphy, were convicted in March, 1970. Their application for leave to appeal was refused by the Court of Appeal in 1971.

In 1973 Mr Murphy's conviction was quashed, and as a result the Home Secretary at the time, Mr Jenkins, referred the case of the other two to the Court of Appeal. The main point at issue was whether the prosecution witnesses, Alfred Matthews, who had named Mr Murphy, Mr Cooper and Mr McMahon as the people with him on the Luton raid, could be believed about the other two.

Mr Matthews, who had named Mr Murphy, Mr Cooper and Mr McMahon as the people with him on the Luton raid, could be believed about the other two.

In 1976, after new alibi evidence, the Home Secretary again referred the case to the court. It heard that Mr Matthews, and, although accepting that he was a liar, decided that his evidence that Mr Cooper and Mr McMahon had been on the Luton raid was reliable. That decision was criticized in a leading article in *The Times*.

Parliamentary report, page 12

Parents' choice 'not meeting needs of pupils'

Mr Dudley Fiske, chief education officer for Manchester, said yesterday that the city's experience suggested that an urban system of comprehensive schools based on parental choice was not meeting children's needs.

Perhaps the time had come to think and talk more of children's needs than parents' rights, Mr Fiske said in a document submitted as part of the Government's two-day national conference on comprehensive schools, which opens in York today.

On the subject of school choice, he said less articulate or competent parents allowed their children to attend less popular schools. Others were prepared to keep them out to get their way.

Much was heard of parental rights and choice, but the evidence in Manchester of children whose doctors submit certificates that speak of sleeplessness and worse is disturbing. It is in some ways reminiscent of the days of the 11-plus.

Whooping cough vaccine 'almost run out'

There is a shortage of whooping cough vaccine the Department of Health and Social Security said yesterday, as an epidemic of the disease worsened.

Supplies had "virtually run out" because of the rush by parents to get children protected. Many parents had rejected the whooping cough element in the triple vaccine, which includes protection against diphtheria and tetanus, when their children were younger, after fears of possible brain damage.

"They are now waking up to the fact that their children are not protected," the department said.

There was plenty of triple vaccine, but not of whooping cough vaccine on its own. However a batch of 30,000 doses is due to complete safety tests today and should be available next week. A further 60,000 doses should be available shortly.

The vaccine shortage has come as the number of cases has exceeded 1,000 a week. The highest number in a week during the 1974-75 outbreak was about 550.

In the week ended December 9 the total was 1,200, the highest since the 1963-64 outbreak, when 1,300 cases in a week were recorded.

Family of five come back from the Iron Age

From a Staff Reporter

The Ainsworth family stepped back into the twentieth century yesterday after spending nine months emulating the life of Iron Age man in a wattle-and-daub settlement in the West Country.

Peter and Linda Ainsworth and their children, Peter, aged seven, Nicholas, five, and Robin, three, were to have spent 12 months in the settlement with 10 other volunteers but were forced to abandon the project three months early when Nicholas became ill.

The 15 were selected from

Family of five come back from the Iron Age

more than a thousand volunteers to take part in the project, which is to be the subject of a BBC television series.

Only three concessions to modern life have been allowed: the use of their own tools and trap game, isolated from the rest of humanity. They are reconstruction, education for the children from three teacher volunteers, and modern medical advice and help.

The remaining volunteers continue to live in a large, round house with a thatched roof and wattle-and-daub walls, as our ancestors did in 300 BC.

Parliamentary report, page 12

Lecturers to drop 30pc pay claim

University teachers are to withdraw their 30 per cent claim, the executive of the Association of University Teachers announced yesterday.

The association, which has 25,000 members, will ask for a 10 per cent salary increase from October 1 this year towards rectifying the anomaly of salaries falling behind those of teachers in further education.

Plea for order against miners' leaders rejected

A move by Yorkshire, Kent, and South Wales miners to stop the introduction of local productivity schemes failed in the High Court yesterday.

After a private hearing, Mr Justice Jupp dismissed an application for a temporary order against Mr Joseph Gormley, President of the National Union of Mineworkers, Mr Lawrence Daly, the general

secretary, and the NUM executive and the south Derbyshire area of the NUM.

The judge ordered a full hearing of the case in open court next Tuesday.

The Yorkshire, Kent and South Wales areas had sought temporary orders to prevent the NUM from implementing the executive's decision last week to allow area incentive schemes.

Liberals call special conference on pact

Continued from page 1

to be linked with socialist policies.

Lord Beaumont of Whitley, a former chairman and president of the party, thought the party was right to go for the pact at the time it did; the pound was in danger, everything was in a state of flux, and a general election last March might have led to chaos.

Conditions had improved, and in six months or a year, perhaps, the country and the party would face a general election.

Lord Banks, disagreeing with the line taken by the Liberal MPs, reckoned that the proper time to re-examine the pact was when it related to the European Assembly and not United

Kingdom politics, provided a distinct Liberal issue on which to make a stand. The other two parties were not interested in fair representation and it would be a good point to make with electors that only stronger Liberal representation would bring sure progress towards a better system.

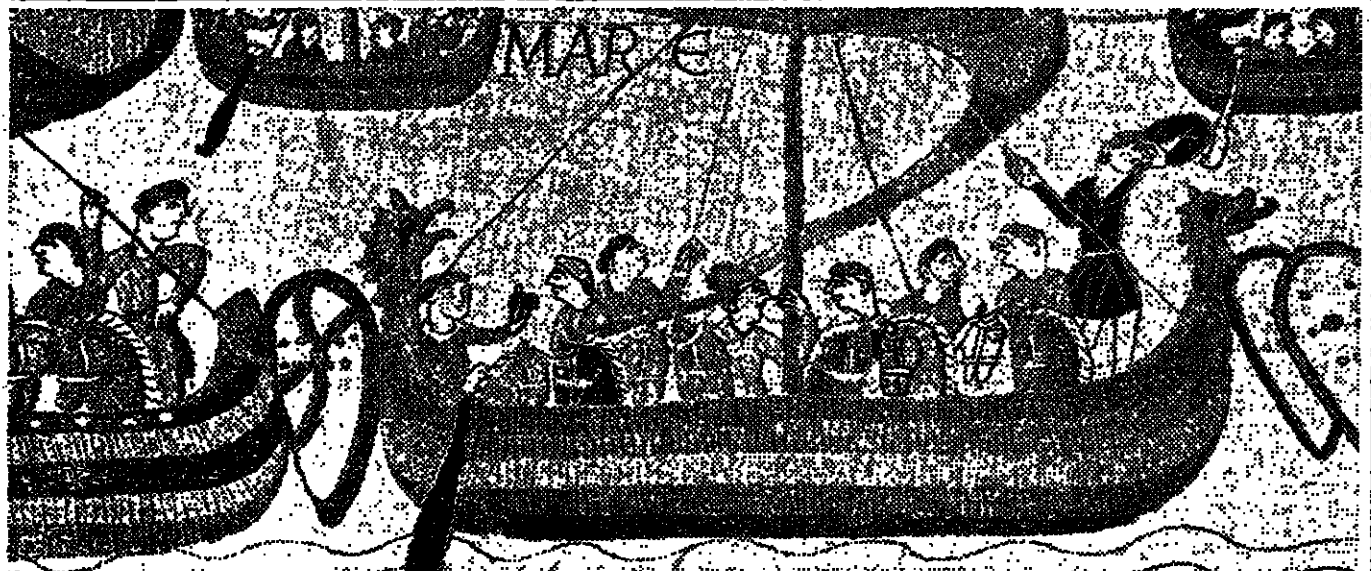
The peer who disagreed, Lord Simon, said that since no clear promise was written into the pact about proportional representation and as everyone knew what was going to happen in the Commons vote, he could not understand why the MPs were making such a fuss about the result.

Some Liberal MPs believe that the Government's pay policy will be under serious

stress at the time of the Liberal special assembly and so give an easily understood reason for rupture. The pact has always stood for fighting inflation, and if that collapsed the Liberals would have an easy exit.

In government circles unfilled calm is affected. It is suggested that Mr Steel put no time limit on continuing the pact when he saw Mr Callaghan for the third time on Wednesday night, so the government assumption is business as usual. But Mr Callaghan will doubtless have made his calculations.

The resolution to go before the special assembly will be drafted next week by the party's standing committee, its highest policy body. Amendments will be considered later.



Specialised authorised by the town of Bayeux.

Cruise with the people who have been sailing for over 1,000 years.

Royal Viking Line. Three ships, the Royal Viking Star, Sea and Sky, of Norwegian registry and spirit where there is only one class—world class. And where traditional Norwegian seaman-ship reigns supreme.

In this world of sumptuous good living, there are three crew members for every five passengers. A guest list of 500, though each ship could hold 700. And almost every stateroom has a view of the sea.

The cuisine is international, there is a fine wine list, and all meals are served at a single relaxed sitting.

And in the background—experienced Norwegian officers, and modern engines and stabilisers for an even smoother journey. Guided shore excursions, air/sea programmes

which fly you to points of departure and return and an ever-increasing list of new and unusual destinations are also offered.

You can cruise with us in European waters to the Black Sea and Greek Isles—to the most beautiful ports in the Mediterranean—to the Baltic as far north as the golden cupolas of Leningrad. We can show you our own breath-taking fjords in May on two cruises from Southampton that take in Scotland and Eire; fares are from £665 for 10 days.

Further afield we offer the Pacific, South America, the Caribbean, Alaska and Mexico... and Around the World.

Call us or your travel agent for more information about our cruises. We will be happy to send you our exciting brochure.



ROYAL VIKING LINE

Royal Viking Line, Cayzer House, 2-4 St. Mary Axe, London EC3A 8BP. Telephone 01-283 28411.

MP wins appeal over theft conviction

Fergus Montgomery, Conservative MP for Altrincham and Sale, yesterday won an appeal at Inner London Crown Court Appeals Committee against his conviction for stealing two books worth £8.90.

Mr Montgomery, a former parliamentary secretary to Mrs Thatcher, appealed against his conviction in September and his fine of £50 with £70 costs. He said he had been taking sleeping and slimming tablets and on the night before the alleged theft had drunk three or four whiskies.

Judge West-Russell, allowing the appeal, said the committee was not satisfied that at the time Mr Montgomery took the books he was dishonestly motivated.

Mr Philip Singer, for the police, said Mr Montgomery, aged 50, a company director, of Curdy Street, Westminster, put a biography by Lord Selwyn-Lloyd and *Spinal Tap* by Viv Richards, a football pools winner, into a zip bag while shopping in the Army and Navy Stores, Victoria Street; he paid for a third book.

Later, at Rochester Row police station, Mr Montgomery had said: "It is all true" after a store detective had described the theft.

Mr Montgomery said that at the time he was very tired because of parliamentary work.

Examination of Islington finance

Islington council has appointed Coopers and Lybrand Associates, City management consultants, to undertake an independent examination of its finance department.

The council decided on an investigation by outside consultants after the director of finance had given a warning of shortfalls of up to £2,068,000 in the accounts and the district auditor reported "defects and weaknesses" in the financial control system.

New BBC radio chief

The BBC last night named Mr Anthony Singer, controller of BBC2 Television, as the new managing director of BBC radio. He will succeed Mr Howard Newby, who retires next year.

IRA gang jailed

Nine IRA men who took part in a raid and siege on a Dublin supermarket less than three weeks ago were jailed by the Special Criminal Court in Dublin yesterday for periods ranging from eight to 12 years.

Tate Gallery appeal to buy Stubbs pictures succeeds

By Our Arts Reporter

With 10 days to spare, the Tate Gallery has succeeded in its £140,000 appeal to save for the nation the two pictures by George Stubbs, "Haymakers" and "Reapers".

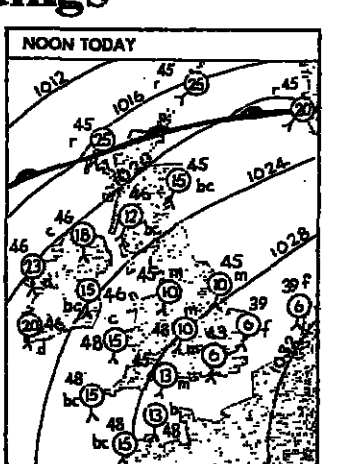
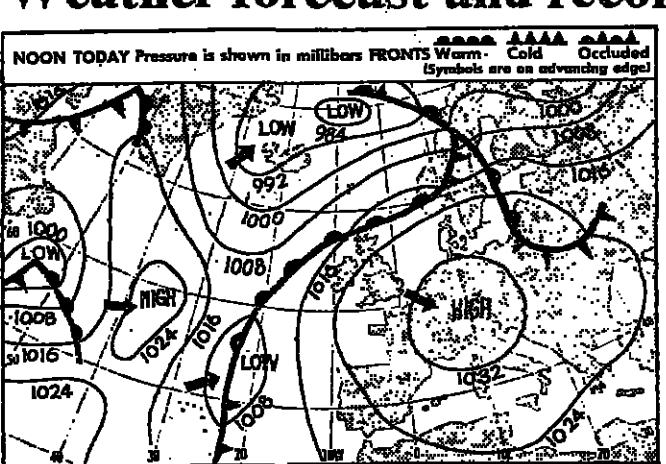
The news was announced yesterday by Lord Bullock, chairman of the gallery's trustees, at a draw of winning tickets for the two lotteries that have helped the Tate to reach its target of £174,000.

After the draw, conducted by

Miss Glenda Jackson, the actress, Sir Norman Reid, director of the gallery, said: "What is needed now is for the Government to have a real policy for acquiring works of art that are under threat in Great Britain."

The winning lottery numbers are: (Friends of the Tate) £100,000: 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, 95, 100. (Tate Gallery) £140,000: 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, 95, 100.

Weather forecast and recordings



Today Sun rises: 8.1 am Sun sets: 3.53 pm Moon rises: 11.37 am Moon sets: 11.23 pm

First quarter: Tomorrow. Lighting up: 4.22 pm to 7.31 am. High water: London Bridge, 5.32 am, 7m (23ft); 6.5 pm, 7m (23.1ft). Avonmouth, 11.17 am, 12.2m (40.1ft); 11.40 pm, 11.7m (38.3ft). Dover, 2.42 am, 6.5m (21.5ft); 3.17 pm, 6.2m (20.3ft). Hull, 10.16 am, 6.9m (22.5ft); 0.13 pm, 6.8m (22.3ft). Liverpool, 3.4 am, 8.6m (28.3ft); 3.25 pm, 8.9m (29.1ft).

Pressure will remain high, with an anticyclone moving slowly over the low countries, while weak troughs of low pressure cross N Scotland.

Forecasts for 6 am to midnight: London, SE, E and Central England, East Angles, Midlands: Dry, early fog, bright or sunny spells; wind variable, light; max temp 8° to 9°C (46° to 48°F).

Channel Islands, SW, NW and NE England, Wales, Lake District, Isle of Man: Dry, early fog, bright or sunny spells; wind S, light to moderate; max temp 7°C (45°F).

WEATHER REPORTS YESTERDAY MIDDAY: c, cloud; f, fair; r, rain; s, sun; sl, sleet; sn, snow; th, thunder.

Algeria	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Amsterdam	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95
Athens	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Bombay	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Buenos Aires	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Calcutta	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Cairo	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Canton	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Cebu	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Colon	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Hankow	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Hong Kong	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Kobe	15	20	25	30	35	40	45	50	55									
London	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95
Lyons	10	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95
Manila	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Medan	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Montevideo	15	20	25	30	35	40	45	50	55									
Moscow	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Odessa	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Peking	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Puerto Rico	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Rangoon	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
San Francisco	15	20	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100
Shanghai	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Singapore	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Sourabaya	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Tientsin	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		
Yokohama	25	30	35	40	45	50	55	60	65	70	75	80	85	90	95	100		

هكذا من الاصل

Ω
OMEGA
Life, time.



We took our seats.

The orchestra was tuning up.
Enter first violin.
Applause.
Enter conductor... no? Not conductor?
Large mezzo-soprano.
But surely?
A furtive glance at the programme.
Not Brahms' Second after all.
Schoenberg.
More applause. Conductor this time.
Tap! Tap! Tap!
Dischord. Dischord. Very loud dischord. Screech.
I look at Tony. Knitted brow.
I look at my Omega.
Another hour of this.
And then? Refer to programme.
Webern!?!

NEW GOVERNMENT REGULATIONS COULD STOP YOU BUYING AN AUDI 100.

This year, the Government changed the rules controlling the leasing of cars for business use.

So, at Audi, we no longer have to ask for 10 months charges in advance. In most cases, we're now able to settle for just three months. For example, you could drive off in a brand new Audi 100 automatic by paying us just £500.* (Which is less than half the initial payment on a normal HP scheme.)

From then on you can pay a monthly rental which can include all your maintenance costs.

You don't have to worry about depreciation, either.

And the entire cost of leasing can be set against tax. Which can halve the real cost to you or your firm.

We hope you'll take advantage of this new situation by sending us the coupon below.

After all, it's not every day a Government regulation lets you drive off with something worth £5,000 just by paying £500.

Our grateful thanks to the occupants.



I'm interested in leasing. Please send me details of the car(s) I've ticked. ☐ Audi 80 ☐ Audi 80 Estate ☐ Audi 100 ☐ Audi 100 Avant

Name _____ Position _____ Company _____

Address _____

Cut out and send the coupon to: Audi Leasing, Volkswagen (GB) Ltd., Volkswagen House, Brighton Road, Purley, Surrey.

*This cost is based on Audi 100 LS Automatic £5,390. Figure also includes 40% buyback at 36 months stage. Terms quoted subject to acceptance by our leasing company, ALP Leasing.

HOME NEWS

Judge speaks after protest over year's sentence on killer

Mr Justice Lawson, whose sentencing of a killer to 12 months' jail has been criticized, spoke at Winchester Crown Court yesterday about "what might have been a merciful verdict" by the jury in the case. He added that he was bound to proceed in accordance with that verdict.

He had been criticized for his sentence on Wednesday after Ralph Little, aged 23, an army deserter, of Marlows Road, Stoke-on-Trent, had been cleared of murdering Kenneth Green, aged 18, a policeman's son, but convicted of his manslaughter.

At the start of court proceedings, yesterday, Mr Justice Lawson said he found it necessary to say something in open court about misunderstandings that had arisen over the case.

He said: "I think we should remember the jury unanimously found him not guilty of murder. I thought it was made perfectly clear, but it is obviously necessary to make it perfectly clear, that the basis on which the jury returned their verdict of manslaughter was that they were satisfied that

Call for state-run nurseries for the under-fives

State-run nurseries for children up to the age of five should be available on demand and free of charge, a TUC working party says in a report published yesterday.

The 128-page report calls on the Government to place a statutory duty on local authorities to provide preschool centres providing an integrated service of care, education, health and welfare for the under-fives.

New legislation should also be introduced laying down minimum national standards of child-minding, including staffing, space and safety, the report says. Minders should be employed directly by local authorities with paid holidays and pension rights. Training for minders should be provided on full pay.

The growing numbers of mothers with young children who are going to work make it essential that community child-care should be provided during working hours. The hours of existing nursery classes needed

Food producers benefit from EEC

By Hugh Clayton

British food traders have found an answer to the growing dominance of their home market by foreign suppliers who enjoy EEC subsidies. They are replying to cheap Community butter and bacon by increasing their sales of tea and chocolate to other Community countries.

It is ironic that after five years of EEC membership Britain should be covering part of the cost of imports by adopting its traditional role as a processor and merchant of raw materials from developing countries.

Tea sold by Britain to the rest of the EEC was worth more than £14m in the first nine months of this year and weighed 8,300 tonnes. Mr Michael Vernon, president of the British Food Export Council, said the weight was two thirds higher than a year before.

Sales of chocolate confec-

Verdict on widow who died during power cut

A verdict of death by misadventure was recorded by the North London coroner yesterday on a widow, aged 64, who died on a hospital operating table during a power cut last month. The theatre was plunged into darkness and staff worked in torchlight, it was stated.

Both emergency back-up electrical systems had failed and the anaesthetist was monitoring by counting a pulse at the neck and by stethoscope when the woman's heart stopped for a second time. It was some minutes before a battery-operated heart machine could be brought into the theatre to replace the one that should have been powered by the emergency system.

Dr David Paul, the coroner, said of the death at the Prince of Wales Hospital, Tottenham: "Failure to have the fibrillating equipment in working order at the time of her second cardiac arrest must have embarrassed attempts to resuscitate her. But whether the attempts would have been successful it is impossible to say."

An investigation had revealed that a stand-by generator's failure to operate had been caused by defective batteries. Dr Paul said the generator was the surgeon at the operation on Mrs Lilian Pettengill, of Newton Road, Tottenham, on November 27. The operation was normal until the first cardiac arrest. She was resuscitated and the operation continued but then there was a power failure, during which Mrs Pettengill's heart stopped.

The power failure had no adverse effects on the surgery, Dr Paul said. He was not at a particularly critical stage.

Mr Leonard Busby, the hospital's acting engineer, said that on October 27 the generator batteries were found to be defective because of a fault in battery charge. A generator was started but not when he made random checks, the last on November 3. During the operation he tried to start the generator but it would not work.

The coroner said it had been known for some time that the battery starting the generator had been behaving abnormally.

For some reason no action was taken and to detailed his report saying this was in existence. "A hospital inquiry showed that failure was due to the defective state of the batteries."



A Carolingian ivory plaque from the cover of a manuscript gospel which was sold for £255,000 at Sotheby's yesterday. (Sale room, page 18.)

British Rail wants 13p rise in petrol prices

By Michael Bailey

Transport Correspondent

A 13p increase in petrol prices to nearly 35p per gallon in real terms, Mr Parker says in an interview with the *Financial Times*.

Mr Parker, chairman of British Rail, today, as a means of long-term help to the railways.

Since the last big increase in January 1975, petrol has been allowed to fall by nearly 35p per gallon in real terms, Mr Parker says in an interview with the *Financial Times*.

Mr Parker says in an interview with the *Financial Times* that the railways are not a good candidate for either energy conservation or British Rail, he comments.

Restoring petrol tax to the level of three years ago, he says, would cost £275m this year, instead of £275m this year, to restore the "crumbling edge of quality" that is clearly visible in stations and rolling stock on little used lines. Even that higher amount would be inadequate for a period when it would encounter a generation gap calling for massive re-equipment as the big postwar modernization programme ran out.

Transport Bill: Some county councils are giving insufficient support to keep bus services going, particularly in the countryside and small towns, Mr Rogers, Secretary of State for Transport, said yesterday.

He was commenting on the new Transport Bill, which requires counties to prepare rolling five-year transport plans from 1979, and gives fresh freedom for community minibuses and car-sharing.

Building pay deal

Leaders of 85,000 council building and civil engineering workers yesterday accepted a wage rise within the Government's 10 per cent guidelines.

Schools 'breaking law on religious studies'

By Diana Geddes

Education Correspondent

Half the secondary schools in England and Wales are breaking the law on religious instruction, the Assistant Masters' Association says today.

A survey by the association suggests that they fail to provide a minimum of one religious period a week for all pupils.

Whether that is illegal or not depends on how the Education Act, 1944, is interpreted. The association says that the instruction shall be given in every county school and in every voluntary school. It does not specify how often or to whom.

The association believes, however, that the law must imply regular instruction and that a common sense interpretation would therefore be that at least one religious lesson a week would be required for all pupils.

The survey of more than a thousand schools, made in October, 1975, and published in the association's journal, shows that 53 per cent failed to meet that standard. Even if sixth forms were excluded, two schools in five would still fail to comply with the law, in the association's view.

A quarter of the schools dropped religious education as a compulsory subject for pupils from the age of 14. Twenty-six schools provided no religious education at all, and 94 others did not provide it for any of the first three years, although it was available as an option for older pupils.

Most schools with little or no formal religious instruction provided other courses such as sociology, the humanities, social studies, and moral education, some of which incorporated religious education.

The association was also concerned about the failure of schools to pay attention to the "agreed syllabus" for religious instruction which the 1944 Act says must be laid down by local authorities.

David Paul, the coroner, said that the only accidental contact or no contact at all between the agreed syllabus and what was actually taught. Some did not even know what the agreed syllabus was.

Retirement of noisy airliners

By Arthur Reed

Stronger regulations designed to hasten the retirement from service of noisy airliners were published in the Civil Aviation Bill yesterday.

The Bill allows airport authorities to structure their landing charges so that they discriminate in favour of quieter aircraft. It gives the Secretary of State for Trade powers to direct specified airport authorities to fix their charges in that direction.

Also included in the Bill is the power for airport authorities to make by-laws to limit or mitigate the effects of noise, vibration and atmospheric pollution. These powers could be used to regulate the ground running of jet engines.

Other main clauses in the Bill provide for the setting up of a fund to meet the cost of protecting airports, airports and navigation installations from acts of violence.

The Government announced in February that it intended to transfer the burden of aviation security costs from the taxpayer in general to the traveller. In November it said that a levy would be taken in the year from April 1, 1978, at the rate of 80p for every arriving passenger.

Although it will be for airport authorities to decide how they will meet the cost of the levy, it is expected that it will be passed on through increased landing charges, which will in turn be passed on by the airlines in increased fares.

Dismissal for naval officer

Sub-Lieutenant Colin Renwick, aged 35, a former deputy head of naval police who won the sword of honour at training school and was top candidate at Dartmouth, was ordered yesterday to be dismissed the service for cheque offences.

He was also sentenced to three months' imprisonment. He had been charged with a cheque book and cheque card from a brother officer and forging and passing four cheques to the value of £880. He was ordered to pay £58.30 to the Midland Bank.

Sub-Lieutenant Renwick, who was regarded as a "diamond" by his superiors, was dismissed for "dishonesty".

Mr. Duggan, a former naval officer, said that the dismissal was a "shock" to the service.

The plight of the Dartmouth trainees, who were ordered to be dismissed, was a "shock" to the service.

In addition to the £40 a week they have been receiving from the NUJ strike fund, special payments have been made out of a locally financed fund, which has reached about £10,000.

Our Labour Staff writes: Mr Kenneth Ashton, recently appointed general secretary of the NUJ, made a statement yesterday calling for a commitment to continue the fight at Dartington indefinitely.

He said the strike would, if necessary, continue for another six months. "The long trail of this dispute is littered with the broken promises of the Westminister Press."

Westminister Press wanted to humiliate the NUJ and the union's Dartington members.

Some tips by a chief at the Hollow Tooth

By Peter Evans

Home Affairs Correspondent

John Laws at the Hollow Tooth, anxious to be ready-eyed to have police and of "tactics" could do worse than turn to a book published today by Deputy Assistant Commissioner David Powis, of Scotland Yard.

The glossary he includes of "words and phrases commonly used by thieves, cheats and ponces" explains that "John Laws" are respected policemen, to be "ready-eyed" is to be knowledgeable, and "tactics" are worthwhile arrests. Hollow Tooth is an ironic and disgruntled term for Scotland Yard, used by some policemen and certain knowledgeable criminals and is very much an "in" term.

Mr Powis, senior deputy assistant commissioner in the Criminal Investigation Department, has produced a cross between a good sleuth's guide and a picture of the underworld that Mayhew might have recognized in his books on Victorian England.

Describing how to cultivate informers, Mr Powis tells of the murky relationship between prostitutes, their "maids" and ponces. He says: "Remember, maids, as a class, seem intensely antipathetic to ponces, and are often the originators of anonymous letters concerning them."

Often a maid is an old prostitute or thief, employed "to answer the telephone, to describe the type of service offered, to prevent queuing or any other suspicious behaviour outside and to keep nervous clients occupied with either sedulous reading matter or pert conversation until they service is seen in turn, by the prostitute."

Acute observation of people enables Mr Powis to give advice on how to distinguish between "an honest working man and a lazy thief." A working bricklayer's finger is seen in turn, by the prostitute.

There are handy tips on disguises. "In London, on a small scooter, you can make yourself look exactly like a probationary governor, even a 'b' (of London Streets) for the Public Carriage Office written examination, a 'quite common' and accepted disguise."

And Mr Powis tells how to deal with the "very small proportion of both counsel and solicitors" who "are grossly misleading to police witnesses."

Do not enter into argument or loose answers, Mr Powis advises. "If the man deliberately misrepresents your name, for example, or provocatively sneers as he addresses you by rank either less than you have or perhaps over-high (a not uncommon error), keep a cool head. Let it be the first and second time. To be thin-skinned over rank and the pronunciation of your surname can sound conceited."

"Nevertheless, you can, after the third time, say to the Bench something like, 'My Lord, perhaps the shorthand writer should know my police ranking is that of Constable.'"

And Mr Powis tells how to deal with the "very small proportion of both counsel and solicitors" who "are grossly misleading to police witnesses."

Do not enter into argument or loose answers, Mr Powis advises. "If the man deliberately misrepresents your name, for example, or provocatively sneers as he addresses you by rank either less than you have or perhaps over-high (a not uncommon error), keep a cool head. Let it be the first and second time. To be thin-skinned over rank and the pronunciation of your surname can sound conceited."

"Nevertheless, you can, after the third time, say to the Bench something like, 'My Lord, perhaps the shorthand writer should know my police ranking is that of Constable.'"

And Mr Powis tells how to deal with the "very small proportion of both counsel and solicitors" who "are grossly misleading to police witnesses."

Do not enter into argument or loose answers, Mr Powis advises. "If the man deliberately misrepresents your name, for example, or provocatively sneers as he addresses you by rank either less than you have or perhaps over-high (a not uncommon error), keep a cool head. Let it be the first and second time. To be thin-skinned over rank and the pronunciation of your surname can sound conceited."

"Nevertheless, you can, after the third time, say to the Bench something like, 'My Lord, perhaps the shorthand writer should know my police ranking is that of Constable.'"

Freeze on tobacco sponsorship

By Annabel Farham

Mr Howell, Minister of State (Sport, and Recreation) yesterday announced a freeze on sports sponsorship by tobacco companies at the 1976 level, which is thought to be about £7m.

He also announced that any proposal to sponsor a big sport not previously sponsored by the industry would be subject to prior consultation with him. Televised events would be subject to a new agreed code of practice.

Mr Michael Deane, director of Action on Smoking and Health (ASH), said yesterday: "It is the first step towards much tougher curbs. Any code of practice can be strengthened."

Cautious approach: The Government's approach to the prevention of ill health is one of caution, said Mr Deane. He said that the Government's approach to the prevention of ill health is one of caution, said Mr Deane. He said that the Government's approach to the prevention of ill health is one of caution, said Mr Deane.

Introducing the document, Mr Kenneth, Secretary of State for Social Services, said prevention of ill health was a government priority. But the main message was that it was largely a matter for the individual.

The White Paper is the Government's reply to the findings of the Commons Education Committee inquiry into preventive medicine and 24 of the 53 committee's recommendations were accepted fully.

The White Paper concludes that some of the most difficult diseases to prevent are those associated with human behaviour. The Government will help by fostering preventive medicine, but responsibility for his own health rests largely with the individual.

The White Paper says the Government will continue to consider the recommendation that there should be an annual increase in tax on cigarettes to reduce consumption. It is having discussions with EEC partners about a supplementary tax to discourage the smoking of cigarettes with high tar content.

The tobacco industry is taking steps to phase out light cigarettes by March, 1979. The Government does not agree the advertising of cigarettes should be completely banned. It is possible that a ban would have a minimal effect on total consumption and be regarded as an unnecessary restriction on individual liberty.

Widespread screening of healthy people could be justified only when the disease can be effectively treated. Prevention and Health (Cmd 7047, Stationery Office, £1.60).

Important notice by Rima WARNING

Rima regret to announce that, in a very few cases, faults have been found on their portable fan heaters. This also applies to Electra and Jonelle brand fan heaters.

To be safe, it is essential that these heaters are checked immediately. If you have one of these heaters, UNPLUG it from the mains. Look into the front grille with a torch or under a strong light. The faults you are looking for are lengths of element wire closer than 1/2" to any surrounding sheet metal (A in illustration) or long stray strands of copper wire (B in illustration). If you think you have a faulty heater or have any doubts, and it is a RIMA HEATER take one of these steps:

1. Fill in the coupon below and send it to Rima Electric Ltd. (No postage needed).
2. Take the heater back to the place from which you bought it so that it can be checked. In case of difficulty contact Rima.

ELECTRA OR JONELLE HEATERS:

If in doubt, owners of Electra heaters should contact their Electricity Board; owners of Jonelle heaters should return the heater to their nearest branch of the John Lewis Partnership for examination. Immediately the faults were discovered, steps were taken to ensure that heaters now on sale are correct.

Model Nos. affected: RIMA 406, 407, 408, 416, 417, 418. ELECTRA 76RMA 406, 407, 408. JONELLE 75, 76, 77. (These numbers are to be found on the back of the heater)

RETURN TO: RIMA ELECTRIC LTD., FREEPOST WEMBLEY, MIDDLESEX HA9 1BR.

Name _____

Daytime Telephone No. _____

Address _____

Model No. of heater _____

NUJ holds firm as Darlington papers appear

From John Chatterjee

Darlington

The subtitle "The Paper That Wouldn't Stay Silent" and an extra penny on its selling price the *Evening Despatch* reappeared on the streets of Darlington yesterday after a four-month closure caused by a strike of members of the National Union of Journalists and printers, who later supported them over the closed-shop issue.

A small group of executives and journalists who do not belong to any union or are members of the Institute of Journalists brought out the paper after printing workers last week decided to drop their support of the journalists.

Work on preparation of this morning's publication of the *Northern Echo*, the largest selling provincial morning newspaper in England and Wales, also resumed yesterday. Mr Donald Evans, the editor, with three other editorial executives and a district reporter, who is a member of the Institute of Journalists, have been doing all the news gathering and production.

That was not new for them, since a similar group brought the paper out for nine weeks between June and early August when the NUJ editorial members were on strike but the printers stayed at work.

Mr Evans, who is editor, has little sympathy for the conflict between managerial executives and professional staff, told me yesterday: "I should like to see some progress in eliminating that subsidy—perhaps over the same time scale the Government wants us to eliminate our own freight deficit."

On productivity, he says: "We have done a great deal: payroll down by 12,000 in two years, wagon fleet by 50,000, and locomotives by 250 over the same period. But we cannot be satisfied. We shall never convince customers that we are giving value for money if we are seen to be overmanned. That is the nub of the problem."

British Rail, he says, needs about £50m a year (£325m instead of £275m this year) to restore the "crumbling edge of quality" that is clearly visible in stations and rolling stock on little used lines. Even that higher amount would be inadequate for a period when it would encounter a generation gap calling for massive re-equipment as the big postwar modernization programme ran out.

Transport Bill: Some county councils are giving insufficient support to keep bus services going, particularly in the countryside and small towns, Mr Rogers, Secretary of State for Transport, said yesterday.

He was commenting on the new Transport Bill, which requires counties to prepare rolling five-year transport plans from 1979, and gives fresh freedom for community minibuses and car-sharing.

Building pay deal

Leaders of 85,000 council building and civil engineering workers yesterday accepted a wage rise within the Government's 10 per cent guidelines.

Comedian's wife fails to get a divorce

Mrs Diane Evans, mother of three children and married for 17 years, called for her husband in the garden, "I am getting a divorce," it was stated in the Family Division of the High Court yesterday. The husband replied, "If I do not get them out of my house, I will kill them."

Mr Anthony Hollis, a deputy judge, said he could not blame Mrs Evans for her husband's conduct. The couple still live in the same house, with their children in Brentwood, Essex.

Nine of IRA fund-raising gang jailed

A Provisional IRA fund-raising gang who held hostages at gunpoint when a robbery became a siege were jailed by the Special Criminal Court in Dublin yesterday.

Seven of the nine men sentenced were from Belfast and one told the no-jury court: "The only crime of which we are guilty is of helping our comrades in the six occupied counties in Ireland. The money we were after was to help our colleagues in the struggle against British imperialism."

The incident that led to the trial occurred less than three weeks ago at Leyden's cash and carry store in Drumcondra, Dublin. The gunmen were surprised on the premises by the police after a member of the store staff had made an emergency telephone call.

Shots were fired when Special Branch detectives moved in.

Later, as troops and police surrounded the building, the gunmen held customers and staff for 12 hours. Everyone was finally released unharmed shortly after midnight on November 27.

At the start of their trial eight of the defendants said they were in the IRA and related to recognize the court. Pleas of not guilty were entered on behalf of all the men.

Sentencing them yesterday, Mr Justice Liam Hamilton, the presiding judge, said the court accepted that the hostages had not been ill treated during the siege.

One of the men, Christopher Heapes, aged 27, of Blanchardstown, Dublin, was arrested before the siege began. He was jailed for 10 years for firearms offences and his part in the robbery for more than £7,500 in cash and cheques from the store.

55,200 staff for Armed Forces' 39,700 trainees

By Henry Stanhope

Defence Correspondent

An all-party committee of MPs, which called for more economies in the Armed Forces' training bill, estimated to be £565m a year, criticized "deeply rooted single-service habits" in its report today.

An independent inquiry into joint Service training was conducted by the Ministry of Defence by Mr E. R. Lewis, chief training consultant for the training services agency of the Manpower Services Commission.

Today's report by the Defence and External Affairs Subcommittee of the House of Commons Expenditure Committee points to the 13 RAF and 26 Royal Navy ground training schools listed by Mr Lewis and to 57 equivalent army establishments.

It suggests that a degree of "over-management" is borne out by figures which show an average of 20,700 soldiers in training but 22,500 administrators and instructors.

Figures published in an appendix to the main report indicate that, for the Services together, the total number of administrators and instructors at training establishments and Service colleges is 55,200 and trainees number only 39,700.

The MPs acknowledge that scope for rationalizing training by combining Service establishments is limited. Mr Lewis could point to only a few areas where further progress was feasible.

But they are still concerned by the number of anomalies. "We can understand, for instance, that the training of chaplains, which appears at first sight to offer scope for rationalisation, should be carried out by the separate Services, since it is a question of taking an already qualified man and adapting him to the way of life and ethos of his own Service."

On the other hand, they argue, there seems to be no convincing reason for the continued training of cooks and dog-handlers on single-Service lines.

"The continued existence of such anomalies seems to indicate a degree of rigidity and unwillingness to break with deeply rooted single-Service habits, and we are bound to report that this impression came across in the tone of some of the evidence given by ministry and Service witnesses during the course of this inquiry."

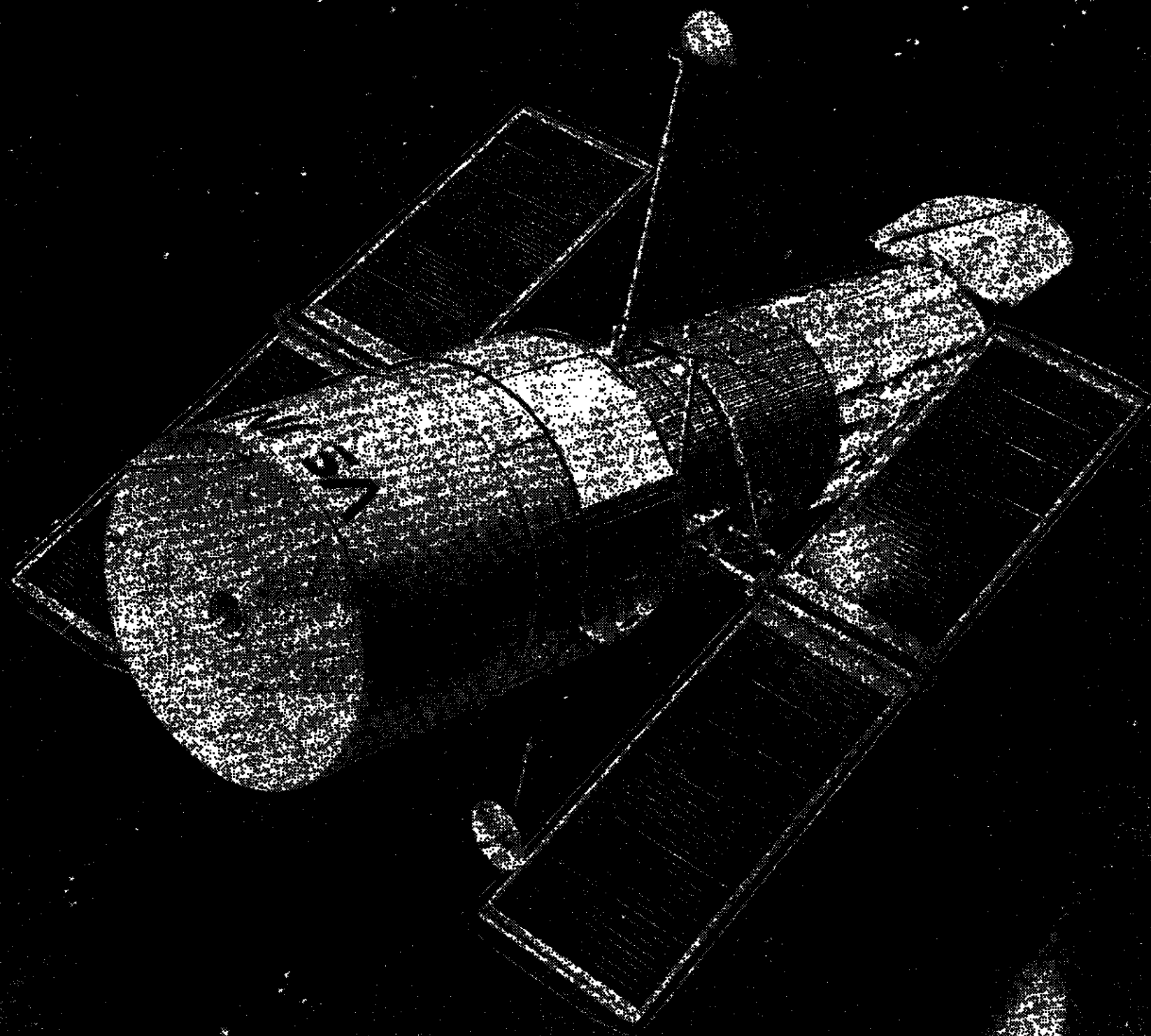
Concern is expressed at the ministry's reluctance to accept one of Mr Lewis's main recommendations: for a new central organization at the ministry to promote joint training. The MPs are also "extremely concerned" that the ministry failed to consider Mr Lewis' advice to consult Mr Lewis during and after his inquiry. They even had difficulty, as did Mr Lewis, in finding out precisely how many Servicemen were undergoing joint training at present.

First Report from the Expenditure Committee: Joint Training of Servicemen (Stationery Office, £4.10).

هذا من الاصل

هكذا من الاصل

In 1983, man may see to the edge of the universe



with this NASA/Lockheed Space Telescope.

When it is launched late in 1983, the NASA Space Telescope may enable scientists for the first time to see distant galaxies as they appeared when they were formed. The Space Telescope will be able to detect images that originated 14 billion years ago, when according to some theories the universe was created.

New planets of other solar systems—perhaps worlds similar to ours—may come into view.

Whatever awaits the scrutiny of scientists, it will be seen with clarity seven times better than that of earth-based observatories. Moreover, the Space Telescope will detect objects 50 times fainter than is possible on Earth. And it will perform ultraviolet and infrared measurements impossible from Earth.

Lockheed, under contract to NASA's Marshall Space Flight

Center, is designing and building the largest part of the Space Telescope, the Support Systems Module. Lockheed also is integrating the optics and various scientific instruments into the Telescope. And Lockheed will test the entire system before it is launched.

Once in space, the Telescope will be able to lock onto celestial objects with absolute accuracy for as long as 30 to 40 hours.

From man's study of the heavens have come concepts of time, calendars and clocks. Early astronomy led to the laws of gravitation—and these to the development of mathematics. Now the Space Telescope promises to bring mankind worlds of new knowledge.

Helping man explore the vastness of the universe.
One of the technological achievements of the 55,000 workers at Lockheed.

WEST EUROPE

European Parliament shows its muscle by disputing EEC budget

From David Wood
Strasbourg, Dec 15

The EEC Budget for 1978 still hangs in the balance with little time left for reconciliation between the Council of Ministers and the European Parliament, the joint budgetary authorities.

If agreement is not reached tomorrow or early next week the 1977 Budget will be continued into the new year, with a twelfth of the total appropriations doled out each month to keep Community programmes running, though on a hand-to-mouth basis.

After Parliament had defied the Council today by carrying extensive amendments at the final stage of the Community's protracted budgetary procedures, word was sent to Brussels in the rather faint hope that the Council would give way before Parliament rises tomorrow. More probably the decision will be left to the finance ministers, who meet on Monday, for they set the financial limits beyond which the governments of the Nine said they would not go.

Most of the dispute between Council and Parliament has hinged on the Regional Development Fund. Earlier in the year the Commission drafted a budget proposing increases to meet the regional and employment needs of the Community and enlisted the support of Parliament. Finance ministers disagreed, partly because of West German and other governments' fears of in-

flation, and eventually the issue was passed on to the prime ministers at the European Council in December.

The prime ministers objected to keeping tight domestic control on spending and encouraging the Community Budget to increase by high percentages, albeit from a low base. Parliament was warned on Tuesday that the European Council had left only small margins for concessions. In particular, the prime ministers had set a limit of 580m units of account for commitments in the regional fund budgeting for 1978. Equally, they wanted cuts in the Parliament's proposed figure for payments appropriations.

Today Parliament refused to be cowed. It voted to add 111m to the payments side of the 1978 Budget and 55m to the commitments side. Payments appropriations to the Regional Fund were increased by 58m. Nor was that all. The absolute ceiling for Regional Fund commitments set by the prime ministers in December was raised by a token sum of 650,000, as an assertion of Parliament's role as joint budgetary authority and a reminder to the Council that Parliament is not to be treated lightly.

In an important sense, the dispute between the Council as executive and the Parliament as legislature is better seen as less a budgetary disagreement than as a constitutional struggle.

Parliamentary Report, page 12

Nine to pay grants for interchange of teachers

From Michael Hornsby
Brussels, Dec 15

Twenty British universities and polytechnics are to receive grants from the EEC budget this year towards the cost of organizing joint courses of study with other institutions of higher education in the Community, the European Commission announced here today.

About 200 British specialists in vocational training, teachers, administrators and researchers in higher education, and local and regional administrators of secondary education will also receive EEC grants to finance study visits to other Community countries over the next three years.

In addition, the Inner London Education Authority and the Sheffield Education Authority will be among European bodies chosen for pilot projects aimed at exploring ways of making it easier for young people to find jobs.

The joint study courses, which could in some cases lead to the award of joint diplomas or degrees, are seen as a way of increasing the mobility of students throughout the Community and breaking down cultural barriers.

Fewer than 10 per cent of foreign students in individual EEC countries come from other Community countries, according to the Commission. Only some 25,000 students in the EEC, about 0.5 per cent of the total student population, are studying in another EEC country.



Communists demand power: High officials of the Portuguese Communist Party supporting their leader, Senhor Alvaro Cunhal (second from left), in a demand to participate in the next Portuguese Government. They were appearing at a rally in Lisbon. Last night President Eanes flew home from a state visit to West Germany to cope

with the crisis caused by the collapse of the Socialist Government headed by Dr Soares. The Socialists failed to win support for the austerity programme they proposed for solving the country's grave economic problems. Dr Soares, the caretaker Prime Minister, has held discussions with Communists and Centre Democrats and was preparing

last night to meet the Social Democrats, the second largest party. But with no prospects so far of a firm majority coalition capable of facing up to the economic dangers, political observers were speculating that President Eanes might have to call elections in the new year. On his return, the president praised the Portuguese peoples' calm.

Italian Communists renew coalition demand

From Peter Nichols
Rome, Dec 15

Signor Enrico Berlinguer, the Italian Communist leader, warned the governing Christian Democrats tonight that they would be taking an extremely grave responsibility on themselves if they refused to accept an emergency coalition including Communists and Socialists.

Speaking in an interview on television, Signor Berlinguer said that such a refusal would mean a further deterioration. He denied that the main issue facing his party was whether to go into government or return to the opposition. He said that it was working for a solution which would bring together the three main parties, and others who wished to join them, "in the great effort which has now to be made".

Signor Berlinguer agreed with those Christian Democrats who felt that the situation was so serious that it could not be kept in hand if either the Communists or the Christian Democrats went into opposition. He was speaking after a meeting between representatives of the unions and the Government at which Signor Giulio Andreotti, the Prime Minister, explained the economic strategy which he is due tomorrow to put before the

representatives of the parties collaborating with his minority administration. Signor Andreotti has accepted that it is necessary to make some changes in his Government in order to meet Communist criticism that it is doing too little to meet the economic crisis, but he excluded the idea of forming a government with the Communists.

Mr van Agt forms new Dutch Cabinet

The Hague, Dec 15.—Mr Andreas van Agt, the Prime Minister-designate, tonight formed a centre-right coalition Government, ending Holland's 204-day political crisis.

A spokesman of Mr van Agt said the new Cabinet would meet on Saturday and that Queen Juliana would swear in the new Prime Minister on Monday.

A week ago the Queen invited Mr van Agt, the Deputy Prime Minister and Justice Minister in Mr Joop den Uyl's Cabinet, to form a government.

Mr den Uyl, who headed a caretaker Government since the May 15 general elections, tried repeatedly to form a left-centre coalition but failed each time. He had hoped to form a coalition of the Labour Party with 53 seats, the Christian Democrats with 49 seats and the Democrats with eight.

Mr van Agt's coalition excludes the Labour Party, the Liberal Party (28 seats), giving him a slim two-seat majority in the 150-seat lower house.

Even this slim majority is uncertain. Seven members of the Christian Democratic parliamentary caucus have said they will support the new Government only on merit.

The ministerial team of 16 includes only two survivors from the outgoing Cabinet—Mr van Agt himself and Mr Alphons van der Stee, his fellow Christian Democrat.—UPI and Reuters.

Exploiters of hostages rebuked by President

From Charles Hargrove
Paris, Dec 15

M. Georges Marchais, the Communist Party leader, made a serious political miscalculation yesterday when he attempted to make political capital from the release of French hostages held by the Polisario guerrillas, by announcing it first, and leading a march on the French Government.

The almost unanimous reaction of the press today was one of indignation. President Giscard d'Estaing echoed the feelings of the overwhelming majority of the French people when he declared bluntly on television last night that "one does not play politics with hostages".

The criticism was aimed not only at M. Marchais, but also at President Boumedienne of Algeria and at the Polisario guerrillas. The President, who was answering questions on foreign policy from a panel of four French journalists, emphasized that "France is a country which wants to have the reputation of being peace-loving, but it does not want to have the reputation of being weak."

The problem of the Polisario is an international and African problem. France is taking part in international discussions on this issue but it will not accept that through pressure and blackmail it is led to adopt a stand which is not its responsibility to take."

M. Giscard d'Estaing spoke at length on relations between France and Algeria, and remarked that it was not easy to have normal and cordial relations after 130 years of cohabitation which had ended in a sharp break.

Condemning implicitly Algerian interference in French domestic politics over the Polisario and other issues, he insisted that "one must learn to establish cordial relations by respecting each other's independence and interests."

The President also dealt in great detail with the situation in the Middle East, his comments on the initiative of President Sadat in going to Jerusalem were tinged with distinct reservations.

He went on to remark that President Sadat had not yet made any progress in his attempts to obtain a permanent settlement with Israel. For him such a settlement could only be global and must be just and acceptable to all the parties concerned.

"If it is not global, there will be no peace in the Middle East," he emphasized, adding that the only road to a global peace led through the reconvening of a Geneva-type conference.

He was very insistent on the role of the Soviet Union. There could be no international guarantees of peace in the area if "all the powers liable to affect the equilibrium in the Middle East did not participate in them. Among those powers is obviously the Soviet Union."

The President emphasized his desire that Mr Begin, the Israeli Prime Minister, should come to Paris to pay a useful visit. The problem of international guarantees in which France and Europe could play an important part was one he would like to discuss personally with him.

Polisario to hand French captives to Dr Waldheim

From Our Own Correspondent
Paris, Dec 15

President Giscard d'Estaing announced tonight that the eight French hostages seized by Polisario guerrillas earlier this year will be handed over to Dr Kurt Waldheim, the United Nations Secretary-General, on December 23.

The handover will take place in Algiers, the President told Maitre Jacques Michel, the lawyer who represents the families of the hostages, at the Elysee Palace this afternoon.

A statement by the presidency this evening said that Dr Waldheim had informed the French Foreign Minister by telephone of the date of release and said "he would be going to Algiers to receive them."

Bonn's reluctant soldiers face conscience test

From Patricia Clough
Bonn, Dec 15

The West German Constitutional Court acted today to stem the increasing flood of conscientious objectors who are opting out of military service.

It ordered the temporary reinstatement of the "conscience test" in which a recruiting committee examines the sincerity of young men who apply for moral reasons to do social service instead.

So many youths have chosen to work in hospitals, old people's homes and other institutions that there are not enough places available. The Government intends to discourage objectors by making them live in barracks. At present many live at home.

France faces power cuts after pay talks fail

From Ian Murray
Paris, Dec 15

Power cuts throughout France seem certain tomorrow morning after the failure of last night's talks between union leaders and the electricity authority.

The two unions involved, the Communist CGT and the Socialist OFDT, have called on their members to carry out the 30 per cent voltage reductions between 9 am and 11 am that were threatened at the end of last week.

The hour-long talks last night almost degenerated into farce. The management side had nothing more to offer than when the two sides met on Monday. The union's side took to shouting their disappointment and, somewhat prophetically, an electricity fault in the building kept plunging the conference room into darkness.

Neither the OGT nor OFDT agreed to sign the pay award settled in September with the three much smaller unions with members employed by the authority.

M. Marcel Boiteux, director-general of the electricity authority, told them however, that this agreement, reached after seven months of discussions, was binding and there was no question of reopening discussion.

So far as the unions were concerned, the offer was worthless. They are pressing for a "thirteenth month" of pay, compensation for the loss of buying power and a comprehensive revision of pay scales.

In the words of the CGT negotiator, M. Roger Pauwels, there had been "no opening whatsoever".

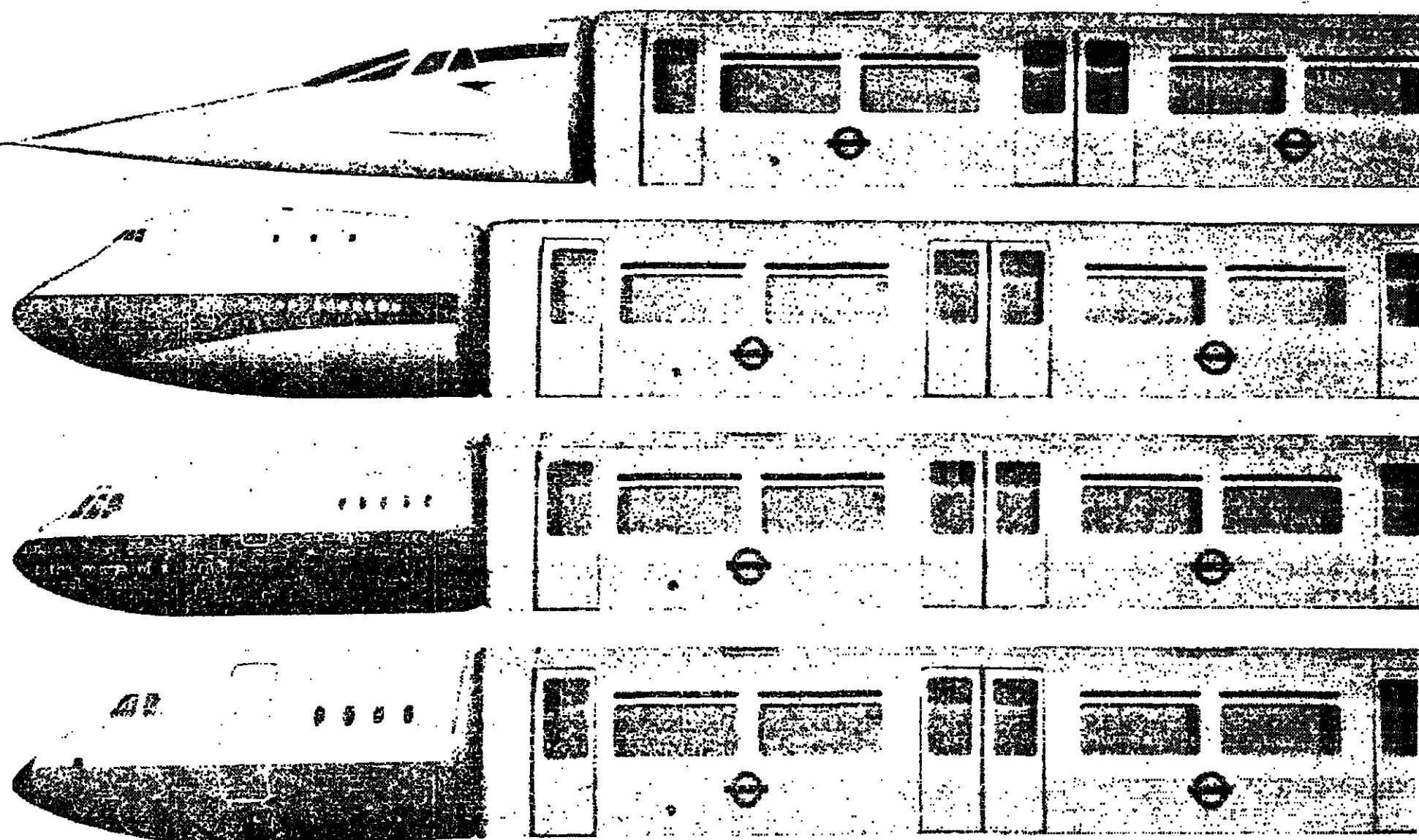
Jockey released

Paris, Dec 15.—Yves Saint-Martin, France's top jockey, was today released without bail pending trial for manslaughter. He had been detained for a week after a three-car crash in which two people died.

Menten appeal

Amsterdam, Dec 15.—Pieter Menten, aged 78, the Dutch millionaire art collector, today appealed against his conviction and 15-year prison sentence for war crimes announced by a special court yesterday.

Fly the Tube



From 15 00 today, December 16, the Underground brings Heathrow Airport to London's doorstep.

The new Heathrow Central Station connects the Piccadilly Line to all three Heathrow Terminals.

So you can get from the London Underground to your departure lounge, under cover all the way.

The journey from Piccadilly Circus to the heart of Heathrow will take 40 minutes and cost 80p.

With a frequent service, trains every 4 minutes in peak hours.

Take the Tube to Heathrow Airport.

It's the only way to fly.



هكذا من الاصل

For 1978
selling range of cars
motoring with the
back coupe; easy to
two Cherry saloon
popular Bluebird

NEW! Violet

The new range
luxury of executive
family car. There's
1.4 litre and 1.6 litre

performance, reliability
have a larger interior
with more passenger
window area with a

a smaller turning circle
for easy manoeuvring
for even safer stopping

at the rear to give you
comfort with safe access

Luggage space has
20% to cater for family

The Violet saloon
would expect from a
radio, cloth upholstery

new deep pile fitted
clock, two-speed wiper
facility, lockable glove

hazard flashers, heated
features for your extra

Violet SSS Coupé

هَذَا مِنْ الْأَصْلِ

New from Datsun for 1978!

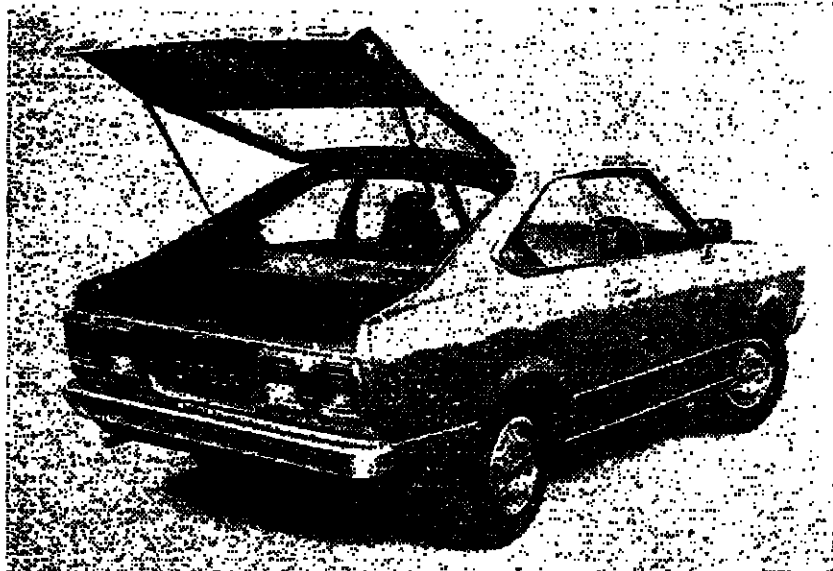


For 1978, Datsun have added several important new models to their best selling range of cars — exciting additions which give extra refinement in family motoring with the all-new 1.4 litre and 1.6 litre Violet saloons and the Violet hatchback coupé; easy to use semi-automatic transmission with 1200 cc engines in the two Cherry saloons; and the introduction of a 1.6 litre version of the extremely popular Bluebird saloon.

NEW! Violet Mark III

The new range of Violets offer you the comfort and luxury of executive-style motoring in a lively compact family car. There's a choice of engines in the saloon; 1.4 litre and 1.6 litre, both with a world proven record for performance, reliability and economy. The new Violets have a larger interior than the models they replace, with more passenger space and comfort, 10% more window area with a lower waistline for extra visibility, a smaller turning circle with light and precise steering for easy manoeuvring and parking, more powerful brakes for even safer stopping, and a new 4-link coil suspension at the rear to give you exceptionally smooth riding comfort with safe and predictable handling. Luggage space has also been increased by no less than 20% to cater for family motoring needs.

The Violet saloons have all the equipment you would expect from Datsun — tinted glass, push button radio, cloth upholstery with reclining front seats, new deep pile fitted carpets; a highly accurate quartz clock, two-speed wipers with intermittent and wash/wipe facility, lockable glove box, reversing lights, hazard flashers, heated rear window, and many more features for your extra comfort and safety.



Violet SSS Coupé

And for the first time in this range, Datsun have introduced a hatchback version, the Violet SSS coupé which has a high-lift tailgate with removable rear shelf and fold-down rear seat to give you enormous carrying capacity. The hatchback has a twin carburettor version of the 1600 cc engine and a five-speed gearbox for extra performance and driving pleasure. A rev counter is, of course, part of the comprehensive standard equipment.

The new Violets are an important addition to the Datsun range of family cars with prices that go from £2749 for the 1.4 litre saloon to £2819 for the 1600 saloon and £3140 for the hatchback coupé, all inclusive of Car Tax, VAT and seat belts.

NEW! Cherry Automatic Saloons

Two new additions to the top-selling range of Cherrys — superb easy-to-drive saloons with Datsun semi-automatic transmission and 1200 cc engines. Gearbox operation is through a torque converter and there is no clutch pedal for the driver to worry about — the clutch is operated automatically when the selector lever is moved. There are three forward positions — Low, for starting off, Drive, for normal motoring, and a special Overdrive feature for relaxed high-speed cruising. The new semi-automatic Cherrys have the top Datsun specification for this range, including cloth upholstery, reclining front seats, tinted glass, reversing lights, heated rear window, hazard flashers, cigar lighter, etc. They are priced at £2292 for the 2 door saloon and £2381 for the 4 door saloon, inclusive of Car Tax, VAT and seat belts.

NEW! 160B Bluebird Mark II

Added to the top selling Bluebird Mark 2 range is a 1.6 litre version, powered by a 1595 cc overhead camshaft engine, giving 81 bhp for extremely brisk

performance, coupled with extra economy. The 160B Bluebird has all the luxury features of the already well established 1.8 litre saloon — fully independent suspension, power assisted dual-circuit brakes, luxurious interior with velvet style cloth upholstery and a full complement of equipment from two wave band push-button radio and tinted glass, to cigar lighter and electric clock. There is a bi-level heater with rear seat duct, illuminated ignition and steering lock, and convenient column mounted controls for lights, and wash/wipe system for the windscreen.

They join the recently announced Laurel Six executive saloon to bring your choice of Datsuns to 35 quality built saloons, estate cars, hatchbacks, coupés and sports cars, all extremely well equipped in Datsun tradition and competitively priced to give you reliable, economical, value for money motoring in 1978.

Ask your dealer now for details of the complete range of Datsuns.



160B Bluebird MkII

The new Datsuns all have the quality and dependability that you get from the technology of Datsun, the world's fourth largest car manufacturer. Ask your dealer NOW for full details of the 1978 Datsuns.

More people choose Datsun — Datsun give you more choice

OVERSEAS

Romania's minister of mining is dismissed

From Dassa Trevisan
Belgrade, Dec 15

President Ceausescu today dismissed Mr Constantin Balaban, his Minister of Mining, four months after the three-day strike in the coal-mining Jiu valley.

As is customary in Romania no reason was given for the minister's removal, but it seems obvious that it was connected with his failure to satisfy the miners after the President had personally promised to meet their grievances.

According to the Romanian news agency Agence, Mr Vasile Parilinet, the former Minister of Forestry, took over the post.

The August strike involving some 35,000 miners in the Jiu valley was in protest against low pay, poor working conditions and insufficient food supplies. It caused President Ceausescu to interrupt his holiday and rush to the Jiu valley, where he was shouted down and heckled before the miners were ready to listen to his promises and call off the strike.

Since then, the President has made two more tours of the Jiu valley. During the latest he again promised that the new pension law will be revised in order to meet the miners' demands but the miners apparently remained sceptical. According to reliable reports over 2,000 troops and police have been patrolling the valley since the strike.

President Carter says PLO has shown itself unworthy of seat at Middle East settlement talks

From Patrick Brogan
Washington, Dec 15

President Carter told a press conference in Washington today that the Palestine Liberation Organization had removed itself from serious consideration in the Middle East peace-making process.

Moderate Palestinians were wanted in Cairo, he said; Mr Begin, the Israeli Prime Minister, and President Sadat, of Egypt, agreed with him.

"Our immediate hope and goal is that any peace move made by Israel and Egypt would be acceptable to the moderate Arab leaders in the Middle East, certainly the Saudi Arabians," Mr Carter said.

"We have had good indications, certainly in my personal visits with President Assad, that he wants to resolve the differences."

"The PLO have been completely negative. They have not been cooperative at all. In spite of my own indirect invitation to them and the direct invitation by Sadat and by Assad and by King Hussein, of Saudi Arabia, the PLO have refused to make any moves towards a peaceful attitude."

"They have completely rejected United Nations resolutions 224 and 338. They have refused to make a public acknowledgement that Israel has a right to exist in peace. So I think they have themselves removed the PLO from

any immediate prospect of participation in a peace discussion. "I certainly would not ascribe that sort of intransigence or negative attitude to any of the other parties who have been mentioned as possible participants."

"I think there are major steps already having been taken to delineate those who are immediately eager to conclude a step towards peace; those like President Assad, who will wait a while to see what does occur, to see if the Golan Heights question can be resolved and so forth; and those who have, in effect, removed themselves from serious consideration, like the PLO."

Asked about the Soviet attitude to the Middle East, Mr Carter replied that relations between the United States and the Soviet Union were now much better than they were when he became President.

"I think that the Soviets have been much more constructive in the Middle East than they formerly have," he said.

"Obviously, they have not been as constructive as I would like to have seen."

He hoped that the Soviet Union would cooperate when peace negotiations went beyond Cairo, towards a Geneva conference.

"I was well-pleased with the joint Soviet and American statement," he said. "Although it is not a definitive solution, obviously, it has no obstacles in it which would prevent an ultimate resolution of the Middle East conflict."

Mr Begin arrives here this afternoon. President Carter said he had no idea what Mr Begin was bringing with him, but he observed that he was in a good position to act as broker between the two sides.

Fouad el-Ghawary writes from Cairo: Egyptian and Israeli officials who today began the first formal working session of the Cairo peace conference remained divided on how to approach a Middle East settlement.

The Israelis wanted to get to the subject of how peace should be realized on what terms; the Egyptians preferred to tackle first specific subjects such as Israel's withdrawal from territories occupied in 1967 and the Palestinian people's rights to establish their own state, delegation sources said.

Egyptian and Israeli spokesmen, however, said the talks, either formal or private, were being conducted in an amicable and friendly atmosphere.

Conference sources do not expect any concrete outcome before Monday after Mr Begin returns to Israel from his talks with President Carter. In any case the talks will be adjourned for three days, tomorrow, Saturday and Sunday, for the Muslim, Jewish and Christian sabbaths.

Peter Nichols writes from Rome: The Pope today promised whatever could be offered by the Holy See towards attaining a peaceful solution of the Middle East conflict.



Mr Elihu Ben Elisar, Israel's chief delegate to the Cairo talks, stretches his legs within sight of the Cheops pyramid.

Egyptian police baffled by Holden murder

From Edward Mortimer
Cairo, Dec 15

The Egyptian police are still unable to find the motive for the murder of David Holden, chief foreign correspondent of The Sunday Times, whose body was found on the outskirts of Cairo on Wednesday of last week.

Well aware of the damage which such an event can do to Egypt's international reputation, the authorities here are taking the case extremely seriously and have by no means ruled out the possibility that Mr Holden might have been the victim of a political assassination. This possibility and the fact that the murderers are still a large clearly have alarming implications at a time when Cairo is the scene of a preparatory peace conference and the target of bitter hostility in some other Arab countries.

One theory is that Mr Holden, who had arrived from Jerusalem via Amman on the night that he was killed, might have been mistaken for an Israeli.

A special team led by some of the highest ranking police and security officers in the country has been formed to supervise the investigation. Egyptian police officers have flown to both London and Amman to inquire into Mr Holden's background and contacts in the hope of identifying a possible motive.

The Sunday Times is co-operating fully. Two senior members of the editorial staff, Mr John Berry and Mr Cal McCrystal, have been in Cairo since Sunday while row officers have gone to Amman. Mr McCrystal returns to London tonight with Mr Holden's body.

Mr Holden is known to have arrived at Cairo airport about 11 pm on Tuesday, December 6, to have obtained an Egyptian tourist visa and changed \$200 into Egyptian currency. He did not check into any hotel, and it is not known how he left the airport. His body was found at 8 am next morning in a

backstreet of Madinet Nasr (Nasser City), a new suburb built in the desert.

Mr Holden was lying on his back, although he had been killed by a single shot fired into his back at close range six inches below the collar. The bullet, which had passed directly through his heart and emerged from his chest, was lying on his stomach.

The fact that it had passed through the body at an angle downwards has led the police to believe he was probably killed while sitting in the front seat of a car by someone sitting behind him. Since the car would presumably have been driven by someone else, this suggests that more than one person was involved.

The simplest explanation would seem to be a robbery. Mr Holden could have been picked up randomly as a victim by thieves waiting at the airport. They might have seen him cashing travellers' cheques and then one of them could have offered his services as a taxi-driver.

If this was the case, the murder was almost certainly premeditated. But premeditated shootings are extremely rare in Cairo and when they do occur they almost invariably result from a family or amorous quarrel. This has led the police to ask questions about Mr Holden's private life, and to ask his friends in Cairo (most of them very much members of the Egyptian establishment) whether he had any known enemies. The answers have so far been negative.

But if the criminal police are inclined to suspect a political motive, the political police have yet to find a convincing one. Mr Holden was a respected writer on Middle Eastern affairs, with a certain sympathy for the Arab cause and certain distaste for leftist regimes like that of South Yemen. But his writing stopped well short of the virulent and seldom provoked even a verbal, let alone a physically violent response.

S Africa scraps half its job reservation laws

From Ray Kennedy
Johannesburg, Dec 15

South Africa has scrapped half of its remaining job laws, the statutory controls which determine what work a person may do purely on a basis of colour.

Mr Fanie Botha, the Minister of Labour, announced in Pretoria that job reservation in 12 of the 25 remaining categories of work where these controls apply will be dropped. Discussions on suspending two other categories are continuing.

Only one per cent of the labour force, about 117,000 workers, are now affected by job laws, Mr Botha claimed. However, the thorny question of free collective bargaining for black workers through recognised trade unions remains unsolved. A commission of inquiry, the Witwatersrand commission, which is expected to report early next year, may make recommendations about the job reservation categories that remain.

In anticipation of the commission's report, Mr Botha said: "The question arises whether statutory job reservation is still the correct mechanism to protect minority groups."

Although the removal of the job laws in many cases only legalises a situation already

existing, it is a brave move by a government at a time when unemployment is both among whites and blacks becoming serious.

In times of a shortage of skilled labour, job reservation has led to the ludicrous situation where for example, blacks employed illegally as bricklayers have used garden tools instead of proper builders' tools.

Similarly, black house painters can apply an undercoat but not the final coat which usually means that house buyers get either an undercoat or a topcoat of paint but never, as a rule, both.

Job reservation is to remain in the building trade which has been one of the industries hit most severely by the economic recession. It will remain also in the mining industry which is dominated by the ultra-conservative Mineworkers' Union.

But in future blacks may work legally as passengers, lift attendants—although they have done so illegally for years—in all categories of the clothing industry which is largely a black trade anyway, the shoe industry, furniture, the wholesale meat trade and also do certain work in the liquor and catering trade.

Mr Botha's remarks have not yet gone so far as to make it legal for a black to run a pub in a white area.

Concorde flight to Singapore today in doubt

By Arthur Reed
Air Correspondent

The Concorde flight due to leave London for Singapore this morning was in serious doubt last night because of a dispute which has closed Malaysian airspace to the airliner.

Efforts to find a solution were continuing in Kuala Lumpur in talks between the British High Commissioner and the Malaysian Minister of Communications. The Malaysians are said to be incensed that the service was started last Friday without sufficient consultations with them.

Indonesia allowed the Concorde for three return trips, but that permission expired yesterday.

Whether or not permission is forthcoming the Concorde service will be operated as far as Bahrain. The 45 passengers booked to travel from London have been warned

Political violence in Turkey claims two lives

From Our Correspondent
Ankara, Dec 15

A wave of violence in Turkey claimed two lives and injured nearly 60 others today as the country waited to see whether the Government of Mr Suleyman Demirel, further weakened by new resignations, would decide to resign.

In Ankara 54 people, most of them left-wing students, were injured this morning when a powerful explosive charge went off in a cafe. Students were badly hurt and hospital sources said that two of them were in critical condition.

Later today Mr Huseyin Ucar, said to be a member of the youth organization of Mr Demirel's Justice Party, was shot dead outside the party headquarters. Angry Justice Party followers stormed a building housing the Turkish Chamber of Architects and Engineers near by where Mr Ucar's attackers were thought to have sought refuge.

Korchnoi has to settle for draw against Spassky

Belgrade, Dec 15.—Boris Spassky, a pawn down in a difficult end game, salvaged a draw against Viktor Korchnoi in their ninth chess game tonight.

Korchnoi now leads 6½-2½ in the match to decide who will challenge Anand Karпов for the world championship. These were the moves of the game:

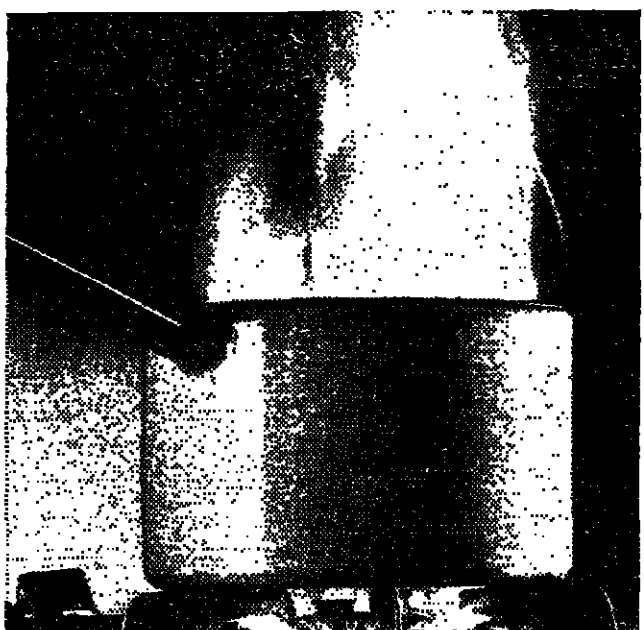
Korchnoi White, Spassky Black: Dutch defence.

1	P-Q4	1	P-Q4
2	K-K2	2	K-K2
3	P-K3	3	P-K3
4	P-B3	4	P-B3
5	P-K4	5	P-K4
6	P-Q4	6	P-Q4
7	P-K3	7	P-K3
8	P-B3	8	P-B3
9	P-K4	9	P-K4
10	P-Q4	10	P-Q4
11	P-K3	11	P-K3
12	P-B3	12	P-B3
13	P-K4	13	P-K4
14	P-Q4	14	P-Q4
15	P-K3	15	P-K3
16	P-B3	16	P-B3
17	P-K4	17	P-K4
18	P-Q4	18	P-Q4
19	P-K3	19	P-K3
20	P-B3	20	P-B3
21	P-K4	21	P-K4
22	P-Q4	22	P-Q4
23	P-K3	23	P-K3
24	P-B3	24	P-B3
25	P-K4	25	P-K4
26	P-Q4	26	P-Q4
27	P-K3	27	P-K3
28	P-B3	28	P-B3
29	P-K4	29	P-K4
30	P-Q4	30	P-Q4
31	P-K3	31	P-K3
32	P-B3	32	P-B3
33	P-K4	33	P-K4
34	P-Q4	34	P-Q4
35	P-K3	35	P-K3
36	P-B3	36	P-B3
37	P-K4	37	P-K4
38	P-Q4	38	P-Q4
39	P-K3	39	P-K3
40	P-B3	40	P-B3
41	P-K4	41	P-K4
42	P-Q4	42	P-Q4
43	P-K3	43	P-K3
44	P-B3	44	P-B3
45	P-K4	45	P-K4
46	P-Q4	46	P-Q4
47	P-K3	47	P-K3
48	P-B3	48	P-B3
49	P-K4	49	P-K4
50	P-Q4	50	P-Q4
51	P-K3	51	P-K3
52	P-B3	52	P-B3
53	P-K4	53	P-K4
54	P-Q4	54	P-Q4
55	P-K3	55	P-K3
56	P-B3	56	P-B3
57	P-K4	57	P-K4
58	P-Q4	58	P-Q4
59	P-K3	59	P-K3
60	P-B3	60	P-B3
61	P-K4	61	P-K4
62	P-Q4	62	P-Q4
63	P-K3	63	P-K3
64	P-B3	64	P-B3
65	P-K4	65	P-K4
66	P-Q4	66	P-Q4
67	P-K3	67	P-K3
68	P-B3	68	P-B3
69	P-K4	69	P-K4
70	P-Q4	70	P-Q4
71	P-K3	71	P-K3
72	P-B3	72	P-B3
73	P-K4	73	P-K4
74	P-Q4	74	P-Q4
75	P-K3	75	P-K3
76	P-B3	76	P-B3
77	P-K4	77	P-K4
78	P-Q4	78	P-Q4
79	P-K3	79	P-K3
80	P-B3	80	P-B3
81	P-K4	81	P-K4
82	P-Q4	82	P-Q4
83	P-K3	83	P-K3
84	P-B3	84	P-B3
85	P-K4	85	P-K4
86	P-Q4	86	P-Q4
87	P-K3	87	P-K3
88	P-B3	88	P-B3
89	P-K4	89	P-K4
90	P-Q4	90	P-Q4
91	P-K3	91	P-K3
92	P-B3	92	P-B3
93	P-K4	93	P-K4
94	P-Q4	94	P-Q4
95	P-K3	95	P-K3
96	P-B3	96	P-B3
97	P-K4	97	P-K4
98	P-Q4	98	P-Q4
99	P-K3	99	P-K3
100	P-B3	100	P-B3



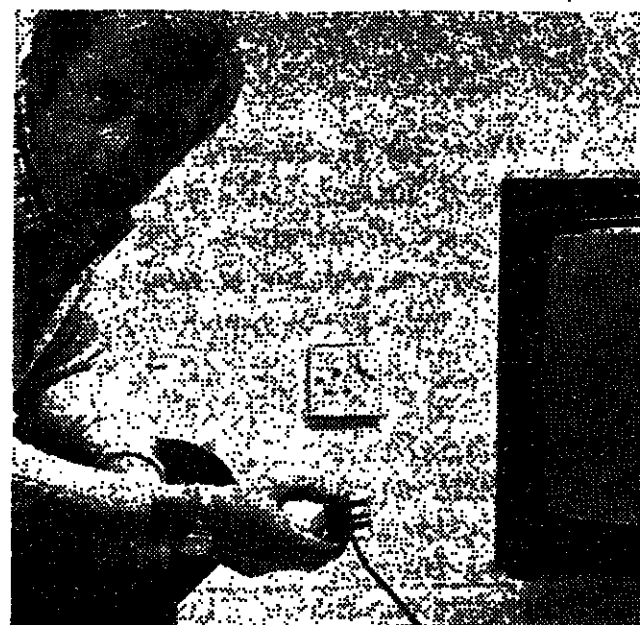
Don't leave children alone...

where heating or cooking appliances are in use, and keep matches out of reach.



Watch chip pans...

making sure that they are not overfull, and don't leave them without turning down the heat. If a pan catches fire, don't throw water on it, turn off the heat, smother the flames with a lid or damp cloth and leave for half an hour.



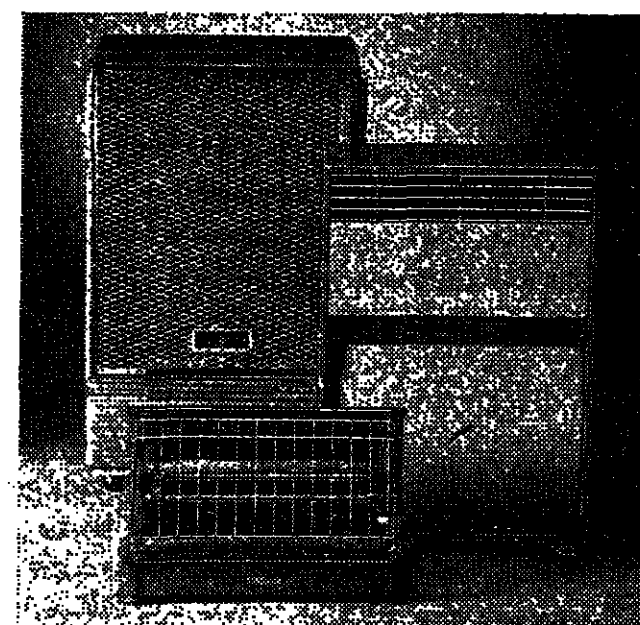
Check the house at bedtime...

before going to bed, switch off such things as TV sets, radios and portable electric heaters, and pull out the plugs. Check ashtrays for burning cigarettes or pipes. Close all doors.



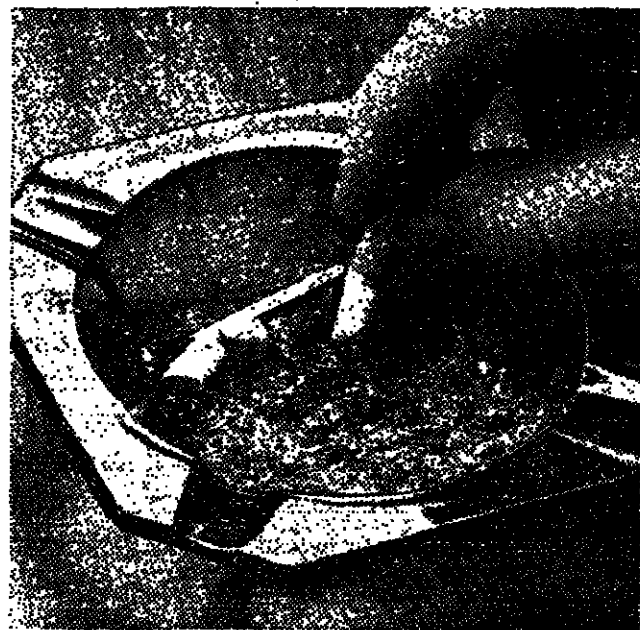
Keep an eye on the elderly...

make sure they take sensible fire precautions, and do not place themselves at risk.



Check heaters...

especially portable ones, making sure they can't be knocked over and are away from furniture or furnishings. And see that nothing is left where it can fall onto a heater.



Don't smoke in bed...

it is a major cause of domestic fires. Always finish your last pipe or cigarette before going into the bedroom, and make sure that it is extinguished.

If fire does break out...

- * Get everybody out and alert neighbours.
- * If you live in a flat and have to get out, use the stairs—not the lift.
- * See if you can tackle the fire yourself—be prepared by having buckets of water handy or your garden

hose attached to a water supply. Do not use water on electrical fires until you've switched off.

- * If things look like getting out of hand, close the door on the fire, dial 999 and ask for assistance. Above all don't risk your life.

Army agrees up Aquino after court

Manila, Dec 15.—The Philippine Army has agreed to a

settlement with the government after a court decision.

The army had been fighting against the government forces in the

Philippines since the

fall of the Marcos regime.

The settlement was announced by the

government today.

The army had been fighting against the

government forces in the Philippines

since the fall of the Marcos regime.

The settlement was announced by the

government today.

The army had been fighting against the

government forces in the Philippines

since the fall of the Marcos regime.

The settlement was announced by the

government today.

The army had been fighting against the

government forces in the Philippines

since the fall of the Marcos regime.

The settlement was announced by the

government today.

The army had been fighting against the

OVERSEAS

Army agrees to hold up Aquino trial after court's protest

From Peter Hazelhurst Manila, Dec 15

The Supreme Court of the Philippines tonight challenged the rule of martial law and called on the Army to suspend immediately the military trial of Mr. Benigno Aquino, the Opposition leader.

Mr. Aquino, President Marcos's main political rival who was sentenced to death by a military tribunal last month, smiled as Mr. Fred Castro, the Chief Justice, issued the court message to the Army tonight.

In a sharp attack on the military courts, the Chief Justice and the other judges on the bench claimed that the Army had shown a complete lack of respect for justice when the tribunal sentenced Mr. Aquino to death, aware that a motion was pending in the Supreme Court.

Earlier this month, President Marcos, aware of hostile reaction in the United States to the death sentence, instructed the tribunal to reopen the Aquino trial, but his rival has asked the Supreme Court to rescind the tribunal's powers and transfer the case to a civilian court.

Today, after examining the Opposition leader's petition for habeas corpus for four hours, the Chief Justice addressed the Solicitor General, Mr. Estelito Mendoza, who is representing the military tribunal: "I want counsel to listen to this very carefully. It is the unanimous sense of this court that the tribunal refrain from conducting any proceedings until after this court shall have resolved the motion for the issuance of a writ of habeas corpus. Any proceeding conducted in violation of this court's order is null and void."

Later, Mr. Mendoza informed the court that the Army would comply with the request. The Supreme Court will reconvene in 45 days to hand down a final ruling on Mr. Aquino's plea.

Mr. Castro pointed out that the military tribunal had sentenced Mr. Aquino to death on November 25, aware of the petition for habeas corpus. The military court, he said, showed a lack of respect and it was apparently unaware that there is only one supreme court, he declared.

In a further blow to the presence of President Marcos,

another of the judges, Mr. Claudio Teehankee, commented on the tribunal's surprising speed in sentencing Mr. Aquino to death before a firing squad. "Can you tell us why the military commission acted in such haste?" he asked Mr. Mendoza.

Further, was a military tribunal capable of providing civilian political detainees with a fair trial?

A military commission which carries out its duties in hearings in between its military duties cannot be expected to give the accused his judicial rights," he commented.

This case was pursued with haste and ended abruptly. The military tribunal acted as though there was no restraining order pending in the Supreme Court.

Mr. Justice Antonio Barredo said that the court was deeply shocked by the tribunal's decision. "A petition was pending in the Supreme Court and it was ignored," he told the Solicitor General. While President Marcos had instructed the tribunal to reopen the trial, he had not set the sentence aside.

This, the judge pointed out, placed Mr. Aquino in double jeopardy. Since his trial was to be reopened, he could not now lodge an appeal with a civilian court. Under the normal procedure, his conviction would be reviewed by a military court of appeals. If the sentence was upheld, then he could bring his case to the Supreme Court, Mr. Barredo said.

"Everything is unusual. We are talking about the authority of this court and we now find that the right of the petitioner to appeal to this court is in the hands of the President."

Mr. Aquino was found guilty of murder, subversion and the illegal possession of arms. All of the alleged offences were committed before Mr. Aquino was arrested five years ago when President Marcos imposed martial law on the country, the court said.

Seven of the judges claimed that Mr. Aquino had been prevented from presenting his final defence statement before being sentenced to death. Mr. Mendoza replied that Mr. Aquino had refused to recognize the jurisdiction of the tribunal and had waived his right to defence counsel and his right to address the court.

Headway in Salisbury talks is claimed

From Our Own Correspondent Salisbury, Dec 15

Talks between the Rhodesian Government and three internally-based nationalist movements today continued to dwell on a "blocking third" of votes in a future parliament and for other constitutional safeguards.

At the end of today's meeting—the fifth since the talks started at the beginning of this month—Mr. Ian Smith, the Rhodesian Prime Minister, declared: "We are making headway. Then he added, "and that's an absolutely truthful statement."

A joint communiqué stated that "further progress" had been made in discussions on parliamentary representation and constitutional safeguards.

After the agreement on Monday to have a rotating chairman, today's session was chaired by the second vice-president of the United African National Council, the organisation led by Bishop Abel Muzorewa.

The communiqué also stated that all delegations expressed concern that the principle of confidentiality had been breached and agreed that it should be adhered to in future.

This was a reference to today's *Zimbabwe Times*, which carried a text of a position paper prepared by the ANC (South) on Mr. Smith's demands for constitutional safeguards. This document stated that to entrench these safeguards in a constitution would turn future parliament into a "school debating society".

The Smith regime mounts a propaganda campaign to halt the steady drain of whites leaving the country Rhodesia counts its blessings

From Nicholas Ashford Salisbury, Dec 15

"Who'd swap Borrowdale for Birmingham?" proclaimed a large advertisement in the Rhodesian Sunday Mirror not other day. The advertisement featured a picture of a pretty, blonde Rhodesian young girl in an idyllic rural setting, representing Salisbury's lush garden suburb of Borrowdale, and contrasted it with a number of anguished shots of children supposedly living a miserable existence in Birmingham.

This child, said the caption to one "Birmingham picture", wishes the sun would come down and shine for her. Another picture showed a group of children behind a wire mesh fence. "They wish they had a world without fences to play in," the caption declared.

The advertisement is part of a Government campaign to stem the flow of white Rhodesians leaving the country.

The campaign reflects official concern at the increasing number of people who are deciding to pack their bags and take the "chicken run" out of the country. During the first 10 months of this year there was a net loss of 9,295 white people, almost twice as in the same period last year and the highest outflow since 1964, the year before independence was declared.

They are leaving for a number of reasons, of which the growing intensity of the guerrilla war is the most important.

To contain the growing incursions by Patriotic Front guerrillas, all white men under

the age of 38 have to spend a half of each year serving in the security forces. Older men also have to do their share of call-up duty in what is now referred to as "Dad's Army".

Most would not object to this call of duty if they felt that a political settlement was in sight and that they could look forward eventually to a peaceful and prosperous future in Rhodesia. Instead they see a prospect of more war, more hardship and a declining economy.

Many have decided to get out now. They take the road south to the Beit bridge border post and then head for South Africa, Britain or, perhaps, Australia, Canada, the United States or even Latin America.

Many more people probably would have decided to leave were it not for the stringent currency regulations which allow emigrants to take only about £700 with them in addition to their household effects.

The Government's advertising campaign is designed to warn intending emigrants that the grass is not necessarily greener in foreign fields.

It extols the attractions that lure many whites in Rhodesia in the first place. More than half of the country's 250,000 whites have settled in Rhodesia since independence.

"It is not just the wide open spaces we have in Rhodesia, or our high standard of education, or even our sunshine climate," one advertisement says.

"It's a whole way of life which your children have a right to enjoy, a life without the

drug problem, teenage crimes and the general 'give up' attitude which is so common in the world today."

Another advertisement tells of the perils and hardships potential emigrants could face in the various countries they might choose. In England, they are told, 43 per cent of the under-25s are unemployed and inflation is raging at a "staggering 17.7 per cent."

In Canada there are almost insurmountable immigration formalities, rising unemployment and "the ever-existent conflict between the French and English-speaking population."

In Australia farming costs are rising, commodity prices are falling deeper into debt. Even in that well-known tax haven, Jersey, settlers would have to spend about £100,000 to buy a house.

Britain, the country from which most Rhodesians originate and where they can most easily go back, is portrayed as a grey, wet, miserable place where unemployment and strikes are endemic.

One advertisement shows a typically British scene as being a row of grimy terraced houses and a multicoloured bus queue. Another, designed to counteract the lure which parties in Earl's Court or the flesh pots of Soho might have on Rhodesian youth, says that half of Britain's school-leavers will not have jobs to go to this year and that living conditions in Britain are enough to "make a rat weep."

Joint Anglo-Argentine studies of Falklands

By Our Foreign Staff

The British and Argentine Governments have agreed to form two joint working parties to look into the main issues facing the Falkland Islands—sovereignty, which is claimed by Argentina, and economic development for the islands and their 1,900 inhabitants.

The agreement was reached at three days of ministerial talks in New York, led for Britain by Mr. Ted Rowlands, Minister of State at the Foreign Office. When the talks ended yesterday Mr. Rowlands agreed that forming the working groups represented neither a speeding-up nor a slowing-down of progress towards a settlement.

"We are trying to find a method of reconciling two irreconcilable positions," he reminded reporters in New York. As an afterthought he asked them to insert "almost" before "irreconcilable".

It is understood that Mr. George Hall, assistant under secretary at the Foreign Office, is to be joint chairman of the sovereignty group. The economic group will be jointly chaired by Mr. Richard Burrows, another assistant under secretary, who has been attending the talks in New York.

Mr. Hall was the British delegate and chairman of the Antarctic treaty conference held in London in September and October. His handling of the very complicated issues at the conference was well received by delegates of the 13 treaty powers, particularly the representatives from Argentina.

The Antarctic treaty was signed in 1959 and the 13 countries involved agreed not to raise the question of sovereignty

over their respective territorial claims until 1991. Observers of the Falklands scene have often drawn a parallel between the Antarctic treaty and the sovereignty issue facing the islands, and it has been suggested in the past that a similar agreement over the islands should be made. This would in effect freeze any claim to sovereignty for a given period of years, perhaps until the end of the century.

An alternative solution which has also been discussed is some kind of "lease back" system similar to Hongkong.

Mr. Rowlands is now flying to Brazil for a meeting with some of the newly elected members of the Falkland Islands Legislative Council.

Although still unconfirmed, it is possible that the new Governor of the Falkland Islands, Mr. Parker, may accompany his councillors to Rio de Janeiro.

Mr. Rowlands will explain to the Falklands representatives what has taken place in New York and once again assure them that there will be "no sell out" of this one remaining British colony in the South Atlantic.

Question in Lords: Lord Morris tabled a question in the House of Lords yesterday asking the Government what steps have been taken to deny the *Times* newspaper's assertion of December 3 that Britain is anxious to get rid of the (Falkland) Islands as of all its remaining colonial possessions, and thus alleviate the obvious distress which the report has caused.

He expects to receive a written answer within the next few days.

In brief

Brezhnev illness said to be flu

Moscow, Dec 15.—President Brezhnev was absent again today when the Supreme Soviet (Parliament) went into the second day of its three-day winter session.

Mr. Brezhnev missed the opening of the session yesterday. Diplomats said it was possible that he had been told to rest completely for a few days after an exhausting Central Committee session, but unofficial Soviet sources said he had influenza.

Fast lane to Jupiter

Washington, Dec 15.—The American space probe, *Voyager-2*, has overtaken *Voyager-1* and launched 16 days earlier on August 20, about 77,000,000 miles from Earth on its way to Jupiter, the National Aeronautics and Space Administration announced.

N Korean Premier

Hongkong, Dec 15.—North Korea today elected Mr. Li Jong Ok as its new Prime Minister to succeed Mr. Pak Sung Chul, Marshal Kim Il Sung, the party leader, was re-elected President.

Polanski term starts

Santa Monica, California, Dec 15.—Roman Polanski, the film director, will go to prison tomorrow to undergo a 90-day psychiatric study after pleading guilty to unlawful sexual intercourse with a schoolgirl.

Plane gratitude

Tokyo, Dec 15.—Japan is to give a passenger aircraft worth £3.5m to Bangladesh in token of the Bangladeshi Government's efforts towards solving the October hijacking of a Japanese airliner.

Croats jailed

New York, Dec 15.—Three Croatian nationalists were given jail terms of four to seven years for shooting their way into the Yugoslav mission to the United Nations in June in an attempt to make the ambassador hostage.

Crown handover date

Washington, Dec 15.—The United States will return the Crown of St. Stephen to Hungary during ceremonies in Budapest on January 6 and 7, the State Department announced.

State workers strike

Delhi, Dec 15.—About 900,000 government employees have gone on strike over pay in the state of Maharashtra, affecting hospitals, schools, courts and government offices.

Detention extended

Moscow, Dec 15.—The Soviet authorities have agreed to the extension for six months of the police investigation of Mr. Anatoly Shecharansky, the detained Jewish dissident, his mother said here.

Exiled dissident dies

Paris, Dec 15.—Mr. Alexander Galich, one of the Soviet Union's best-known political dissidents, has died in his flat here at the age of 59, family friends reported.

Troops shot for failing to end Asmara siege

From Don Connell North of Asmara, Dec 15

Deserters from the besieged city of Asmara in the capital of Eritrea province, say that its Ethiopian defenders have carried out many executions of officers and soldiers blamed for the failure to break the siege.

More than 150 officers and men were shot in a few days last month, according to Lieutenant Gebremichael Tsadik, who said he deserted to the Eritrean independence forces surrounding the city because he feared he would soon be caught up in the purge.

Defectors and civilian refugees say that Asmara, which has a population of 200,000 is hard pressed. There is no electricity, the water supply has stopped; food, fuel and medicine are scarce; and all the trees in the parks have been chopped down for firewood.

Deserters and refugees say civilians are being killed at random every day by a roving

death squad called the "Afage" — Amharic for "strangers".

Sergeant Muhammad Aman-Adele said that on November 18 he came across a coffee bar in Ras Beraki Street in the centre of Asmara strewn with the bodies of 15 people shot by the Afage.

Defectors say that combat units from South Yemen, technicians from the Soviet Union and doctors from Cuba are helping the besieged Ethiopian forces in Asmara. Lieutenant Tsadik said he had seen South Yemeni tank crews wearing unmarked uniforms in action south of Asmara in September.

Eritrean guerrillas, who have been fighting for independence since 1961, have made large gains this year. Asmara has been under siege since October 12, when guerrillas of the Eritrean People's Liberation Front cut the road to the Red Sea port of Massawa.

A second guerrilla force, the Eritrean Liberation Front, also holds positions around Asmara. —Reuter.

Vietnamese hijackers given 14 years' jail in Singapore

Singapore, Dec 15.—Four Vietnamese hijackers were each jailed for 14 years and ordered to be caned after they pleaded guilty to arms charges in the High Court here today.

The four men seized an Air Vietnam DC3 aircraft on a domestic flight and forced it to fly to Singapore in October after killing two members of the crew. They pleaded for leniency, but the court ruled that the circumstances of the case demanded the maximum penalty.

The leader of the four, Lam Van Tu, aged 28, told the court that they had staged the hijack to escape from suffering in their communist homeland. He was ordered to be given 12 strokes of the cane, while his

three associates will receive six strokes each.

Mr. Lam was charged with illegally possessing a revolver and ammunition. The others were accused of being in the company of a man in possession of a gun.

Charges of armed robbery, dishonestly retaining stolen property and wrongfully confining passengers and crew were taken into consideration by the court in pronouncing judgment.

The decision to try the four men here has strained relations between the two countries, with Hanoi calling off the visit of a Vietnamese trade delegation to Singapore last month. Singapore officials are hopeful, however, that today's stiff sentences could repair some of the damage. —Reuter.

Protest by France over seized nuns

Buenos Aires, Dec 15

The abduction of two French missionary nuns has brought strong representations to the Argentine military Government by the French Embassy here. It has also aroused the concern of the Roman Catholic hierarchy in France.

The two nuns, one of whom is connected with church efforts here to trace persons abducted since the military coup, are Anne Marie Domon, known as Sister Alicia, aged 41, and Léonie Duquet known as Sister Léonie, who is 62.

Sister Alicia assists Mr. Jorge Novak, the Argentine Bishop of Quilmes in an "ecumenical movement" which tries to help trace missing persons in Argentina. She was among 10 or 15 people seized by heavily-armed men at a church here last Thursday after a weekly demonstration outside Government House by mothers of missing persons.

Sister Léonie, who is not connected with the search for abducted persons, assists the Argentine Bishop of San Justo. She was reported to have been abducted from her home over the weekend by four unidentified men driving an unmarked car.

Last night, the French Ambassador, M. Francois de la Gorce, delivered a "very firm" note reminding the Argentine Government of its duty under the Vienna Convention to inform foreign embassies of the detention of foreign citizens.

In addition, Mr. Louis Pansu, the French Bishop of Amévy and president of the French Episcopal Committee on Relations with Latin America, is flying to Argentina.

The disappearance of the nuns adds to that of several other missing persons during the past week. It is thought to be an attempt to intimidate relatives from demonstrating outside Government House today.

Buenos Aires, Dec 14.—The French Embassy here believes that the nuns were, in fact, arrested by policemen in plain clothes. —Agence France-Presse.

Drugs jail term cut in Bangkok after guilty plea

From Our Correspondent Bangkok, Dec 15

Richard William Raymond, a 32-year-old Australian, was sentenced today to seven years' imprisonment for having 49.3 grams of heroin in his possession for sale but because he had pleaded guilty the sentence was reduced to three and a half years.

Mr. Raymond said he bought the heroin for \$170 in northern Thailand. "Up there it is as easy to buy as candy," he said.

There are now 70 white people, 10 of them women, imprisoned or awaiting trial for drug offences in Thailand. They include six British.

Rita Nightingale, the British woman sentenced last week to 20 years in prison in Bangkok for attacking drug traffickers, will appeal against the conviction, her lawyers said today.

Mr Carter admits defeat on energy legislation

From Our Own Correspondent Washington, Dec 15

President Carter at last admitted today that he was not going to get an energy Bill out of Congress this year. He put the best face he could on it, telling a press conference of his other legislative achievements this year, but the "moral equivalent of war," as he described the energy crisis last spring, has defeated him.

The joint House-Senate committee which has been trying to resolve the question of price of natural gas adjourned last night *die*. The other joint committee, which was attempting to settle the level at which oil should be taxed, was already adjourned, waiting for the gas question to be solved.

They may do some work over the next three weeks, but it

seems unlikely. The whole issue will therefore be awaiting Congress when it reconvenes on January 19.

It is not just that House and Senate cannot agree. The senators on the conference committee are split equally, nine to nine, on the question of whether the price of natural gas ought to be deregulated. The energy committee of the Senate, the Finance Committee of the House, and the Commerce Committee have all failed to agree, and Senate leaders, therefore, decided to shove the whole question on to the conference with the House of Representatives.

The three easier of the five parts of the energy Bill have been agreed by this method, at least in the commerce's satisfaction. The two main problems, gas and oil, have not been settled.

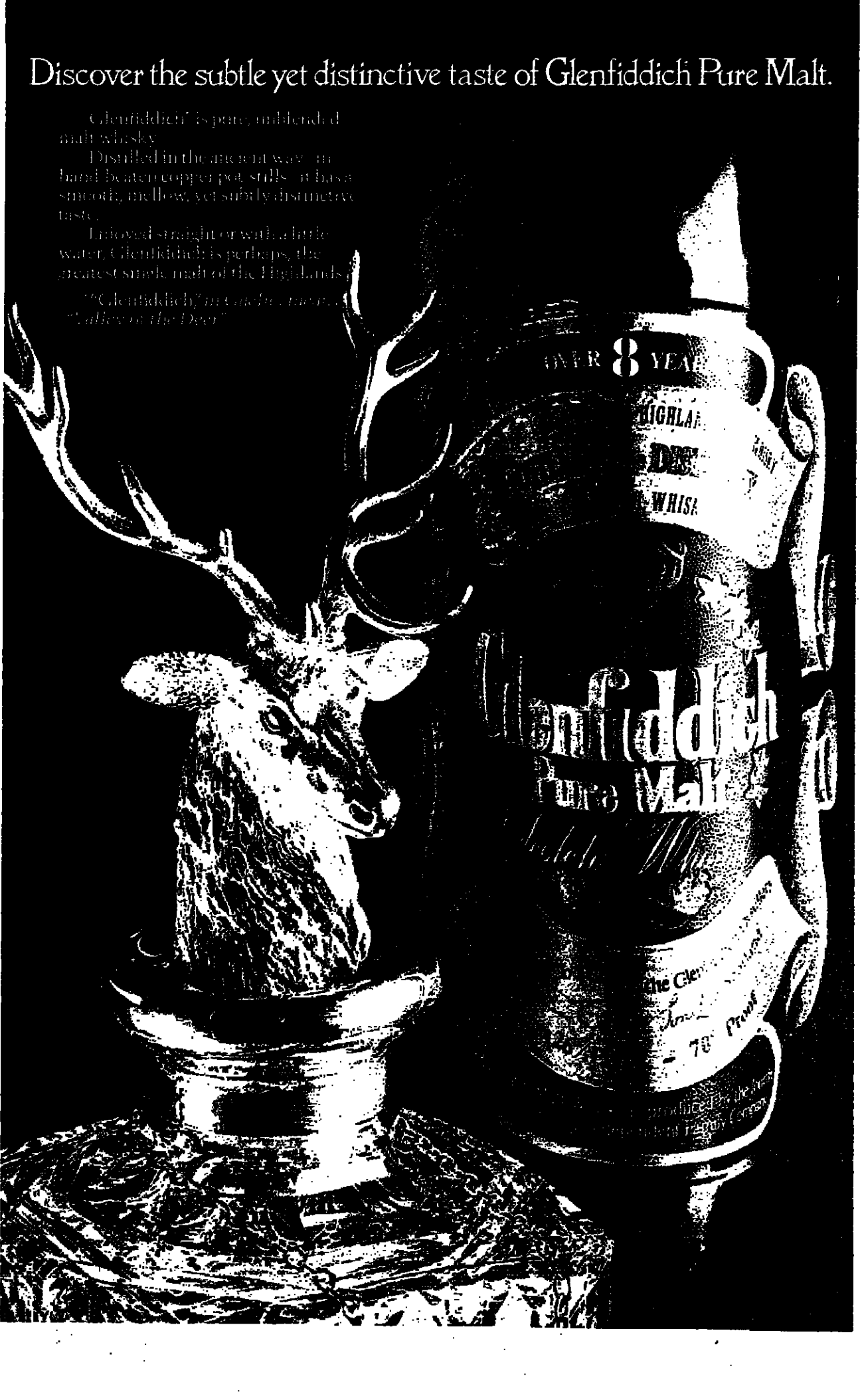
Discover the subtle yet distinctive taste of Glenfiddich Pure Malt.

Glenfiddich is pure, undiluted malt whisky.

Distilled in the ancient way in hand beaten copper pot stills, it has a smooth, mellow, yet subtly distinctive taste.

Unmixed straight or with a little water, Glenfiddich is perhaps the nearest single malt of the Highlands.

"Glenfiddich" means "the valley of the deer".



OVER 8 YEARS OLD

GLENFIDDICH PURE MALT SCOTCH WHISKY

THE GLENFIDDICH DISTILLERY

هكذا من الاصل

GRADUATES FOR UNDERSEA TECHNOLOGY

STATISTICAL RESEARCH

A GRADUATE IN GERMAN FOR STEEL FOUNDRY JOURNAL

ENGINEERS POWER STATION CONSTRUCTION

Instrument Engineer

Marketing Analyst for the North-East

JUNIOR ACCOUNT EXECUTIVE FOR ADVERTISING AGENCY

Merchant Bank Departmental Assistants

A rare opportunity for graduates in Economics, Sociology or Psychology.

UNPARALLELED SCOPE FOR TEST ENGINEERS Up to £3500

APPLIED RESEARCH AND DEVELOPMENT

APPLICATIONS ENGINEER Microcomputer Systems

PERSONNEL ASSISTANT Rugby, Warwickshire

PLASTICS PRODUCTION

Economic Intelligence Unit Research Assistant

Finance Planning and Control £3000+

Graduate for Systems/Production Control

Opportunities in Iran for Arts and Science Graduates

A career in selling for a graduate with a working knowledge of French

PRODUCT MANAGEMENT FAST MOVING CONSUMER BRANDS

Join our digital systems division the leader in computer technology

DYNAMIC ENTHUSIASTIC AMBITIOUS AND A SCIENCE GRADUATE!

BIOCHEMIST Aberdeen

A MARKETING CAREER IN THE USA

Eenie, meenie, miney, mo.

Opportunities for graduates in publishing

Medical Representative

Project Finance Assistant to Dept. Director of International Bank

PETROCHEMICAL ENGINEERS FOR SAUDI ARABIA

Foundry Metallurgist required in Canada

CORROSION ENGINEERS

INDUSTRIAL RELATIONS

If you're in a quandary, we sympathise. You wouldn't be the first graduate torn between, say, banking and public relations, or between the green fields of England and the tax-free salaries of the Middle East.

Equally, you may feel that you're too young to settle for the executive desks and company cars that huge corporations dangle before you.

Then again, it could be a toss-up between the Foreign Office and your dad's business.

If you honestly can't decide, our advice is to keep your options open and become an Army Officer for three years.

It's not a cop-out but a chance to clear your mind. You'd be hard pressed to find a job that could teach you more about yourself and your fellow-men so early in life.

At the same time, you'll be putting your university education to good use. Army problems demand the kind of calm, rational thinking that comes more easily to the trained mind.

Twelve months from now you could be on the streets of Belfast. Men may shoot at you. Women may curse you. Children may throw bricks at you.

You could be in a classroom lecturing to soldiers about weapons or battle tactics. With men who are happier out of doors than sitting at desks, this is no doddle.

You could be in Germany, taking part in a NATO exercise.

You could, at a moment's notice, be flown to a trouble spot. Belize, this year, is a good example.

Wherever you are, there won't be much time to worry about your own skin. You'll have a platoon of thirty soldiers to care for. They'll expect you to be wise, brave, fit, decisive, compassionate and unstuffy.

Don't be alarmed. You won't have to display all these virtues on your first day.

At the beginning, you'll sometimes make mistakes, or feel lonely or simply bewildered. But after six months training at Sandhurst, you'll soon learn to cope.

And anyway, in a job where you can't always postpone decisions or ask the boss what to do, young men tend to mature rather quickly.

This isn't just our opinion. Many industrialists have publicly stated that,

as far as they are concerned "...the Army equips a man to make the change to business management very easily."

One went on to say "In an ideal world we would prefer our trainees to be both graduates and to have had some commissioned service experience."

Not that we think good prospects should be your only reward.

We'll pay you £3,819 a year with a parting gratuity of £1,545 tax-free after three years commissioned service.

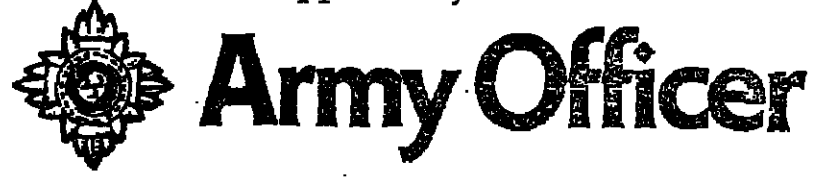
On the other hand you might decide that you'd rather make a career of the Army.

If all this sounds attractive, write to Major C.N.B. Wellwood, Army Officer Entry, Dept A32, Lansdowne House, Berkeley Square, London W1X 6AA.

Tell him something about yourself, and ask him anything you like about the Army.

Remember, you're going to spend around forty years working for your living.

It would be tragic if your most vivid memory were of a missed opportunity.





RUSSIA'S ECONOMIC PROBLEMS

The Soviet Union is heading into difficult times. Politically and economically there are stresses ahead which are going to test the system and its leaders. Mr. Brezhnev's health is not good, and the problem of the succession shows no signs of being solved. This week he was absent from an important meeting of the Supreme Soviet, and he has cancelled a meeting with Herr Brandt which was planned for today. Even if he is merely temporarily indisposed his absences are a reminder that he can no longer carry a full workload. The system can run for some time under these circumstances because it suits almost everybody to have him remain as the keystone in an arch of power which might otherwise become unstable, but there must gradually be a price to be paid in terms of long-term decisions delayed or fudged.

This is particularly true in the economy, where the prospects for the next decade are not good. Some of the figures announced on Wednesday must already be discouraging for the Soviet leadership. Industrial production is planned to grow by only 4.5 per cent next year, which is below this year's plan and considerably below the annual average envisaged in the current five-year plan. Real income per capita is planned to rise by 3 per cent compared with an average of just over 4 per cent envisaged in the plan. The harvest has turned out to be about 17 million tons below predictions, which points to purchases approaching 15 million tons from the United States.

None of this spells immediate

trouble but together with other factors it suggests that growth rates will continue to decline, and that the Soviet Union will have difficulty adjusting itself to new demands on its system and its resources. Until recently it could ensure steady growth by drawing on its huge reserves of raw materials and rural labour and devoting about 30 per cent of its gross to investment (compared with the United States at 16 per cent in 1975). Now the reserves of labour are drying up, raw materials are becoming more expensive, consumers are demanding more, and the system has not yet found a way of increasing productivity sufficiently to compensate. In fact growth in output per man hour has declined steadily, and so has output per rouble of fixed capital, especially in agriculture. Russia is an industrialized country, with some advanced sectors, particularly in defence, but with low productivity by American, West European or even British standards. Neither Russia nor Eastern Europe has been left unscathed by the world economic problems of the 1970s.

To reverse this trend the Soviet Union needs new incentives, which means more consumer goods and new systems of organization. Both require significant adjustments to the system. It also needs more modern machinery, a significant amount of which will have to be bought for hard currency. But something like half the Soviet Union's foreign currency earnings now come from oil, and there is a big question mark over its capacity to go on

exporting large quantities of oil. It has huge reserves but so far they are not being found and developed fast enough. Western experts still disagree on whether a serious oil shortage faces the Soviet Union in the 1980s but some stresses seem inevitable. Even if there is enough for the Soviet Union itself, which is not certain, there is unlikely to be enough to continue earning hard currency at the present rate while also supplying the rising needs of eastern Europe, which is already having to spend about \$900 million on buying oil from other sources. And most East European countries find it even more difficult than the Soviet Union to earn hard currency. Among other things, therefore, the Soviet Union will have to decide how much tightening of belts in eastern Europe it can risk, and how much its strict economic interests must be sacrificed for the sake of its political commitment to the area.

Thus before long the Soviet Union must either find ways of making better use of its huge resources in materials and manpower, or take some fairly painful decisions on priorities between, for instance, living standards and defence. Very probably it will have to do a bit of both. The speeches of the leaders show they are aware of these problems but do not reveal how they are going to tackle them. Equally unclear is whether the system is going to prove able to provide a smooth transfer of power to a new generation.

Political activity of judges

From Mr Peter Thomson
Sir, The following statement is a summary of my prepared address to the House of Commons which I was not allowed to make on December 6. Judges have been chairmen of the Commission on the Constitution of Scotland—both local and national—and have issued reports and taken part in public debates on these matters. Sheriffs have acted as returning officers at parliamentary elections. And the Lord Chancellor as Speaker of the House of Lords has been in political activities. If issuing a report on the need and procedure for an impartial plebiscite on the constitution of Scotland amounts to unfettered for office, Parliament has frequently sanctioned similar misbehaviour. If it is wrong, Parliament has a duty to put matters right.

No one has been able to say in what way my plebiscite activities were connected with my duties in court. This is the crux of the matter. It will be the first time a judge has been removed from office when no such connection has been made. It would thus be a dangerous precedent opening the way to secret actions and the consequent abandonment of the doctrine of the independence of the judiciary.

I am content to leave to what happens hereafter judgment of my personal actions in this matter, which were in any event considered by the judges to be irrelevant to the point to be decided. If not answering letters amounts to statutory misbehaviour, then I misbehaved. If not answering someone which I considered both groundless and insulting is statutory misbehaviour, then I misbehaved.

But the point is, in what way did my misbehaviour impair or affect my connection with my duties in court. The decision on this point will decide the future of the doctrine of the independence of the judiciary in the United Kingdom.

PETER THOMSON, Househead Farm House, Uddington, Glasgow.

London rail links

From the Managing Director (Railways), London Transport

Sir, The article by John Young entitled "Fast trains link Heathrow with West End" (UK Airports supplement, December 9) states the facts about the Underground link to Heathrow which is due to open next Friday, without indicating that this particular form of rail connection will be unique in any of the world's major cities. It does perpetuate notions which I had hoped planners would have dropped by this time.

The idea that it was "little short of a planning disaster" that Victoria was not developed as a multi-purpose rail/bus/coach/Underground interchange is the opposite of the truth. It would have been a planning disaster of the first magnitude to have produced such a monster. The idea of chucking down an immense transport interchange with all the additional road traffic that it would create in the Victoria area, where the existing level of activity and land value is high, was not a serious consideration, and it ought to stay in the wastepaper basket.

Mr Young's article also shows a harking back to a revived Maplin project for "high speed public transport connection with central London, possibly by mono rail or tracked hovercraft". This sort of thing was popular among planners in the 1960s, but it is fifteen years ago, and everywhere in the world where it has been seriously examined it has been discarded in favour of some more orthodox—the more realistic—the better. The best solution would use the best form of tracked transport we have or are likely to have for a long time, which is a high-class railway.

R. M. ROBBINS, Managing Director (Railways), London Transport, 55 Broadway, SW1.

Buying books

From Mr J. D. Cable

Sir, The press, particularly at this time of year, invites us to buy books for Christmas presents.

Have you tried to buy a book recently? I mean a paperback book? No way. "It is out of order." "How long?" "Four to six weeks."

The retail outlets blame computers. Whatever the reason, it seems odd that a concern with a reputation for booksellers should not be able to get one to a customer eager to buy.

Yours faithfully, J. D. CABLE, Glan-Hir, Borth, Dyfed.

Heavy breathing

From Commander E. K. Somerville-Jones, RN, and others

Sir, It was with interest that we read (December 13) about Commander Belton and team mounting the MOD Struts in the crawler lane, while Admirals sailed by in the plane. It is a pity that the proposed solution. We would be more than happy to lend our office (26th floor) to Commander Belton and associates, in order that they may become as fit as we now are. On completion of their "training", they could return to MOD, able to cruise up the stairs with ease, not accompanied by accompanying Admirals (though a respectable two stairs behind). They might even be able to carry the Admirals' heavy briefcases.

We have the honour to be, Sir, your obedient servants, E. K. SOMERVILLE-JONES, M. J. BENNETT, R. W. W. CRAIG, P. H. W. B. ELYTH, C. J. STALL, Royal Navy Presentation Team, Room 2607, Empress State Building, East Court SW6, December 13.

LETTERS TO THE EDITOR

Challenge from developing nations

From Dr Rita Cruise O'Brien

Sir, One can only applaud the initiative in your article on the challenge from developing nations (William Rees-Mogg, December 12) as a step towards the creation of a better understanding of world problems. But your argument about the supposed threat to our living standards if we do not take full account of cheap manufactured exports from developing countries continues to portray an arena of confrontation which is unfortunate.

You cite, for example, the electronics industry, and the unequal cost of world labour which makes imports (mainly produced "off-shore" under licence to large firms) from developing countries competitive.

This small but growing manufactured export (which has in the short run been one of the more successful in the total UNCTAD list) is now threatened by a technological breakthrough in the industry which will withdraw production back to industrialized countries, as computerized processes of assembly in electronic components become cheaper than using contract industry overseas. The concentration of power based on science and technology thus has the capacity to shift rapidly the labour composition in a world industry. This is the dilemma of those countries, trying to "seek their rightful place in the sun".

What "arms of battle" have countries which produce such goods? Surely, we must begin to realize that the importance of improved market access is linked directly to the general well-being of the world economy, not just a threat to our living standards. Recovery from the recession and recession, and this has been expected, and this has severely hit the reduction in demand for goods and services from developing countries.

Only a small proportion of the deterioration in their financial position can be attributed to the oil price increases, in contrast to how it has been portrayed. Private banks stepped in to help these countries "ride out" the recession by borrowing.

Crises of repayment in many of these countries and methods to cope with it have also reached your columns in recent weeks. In the face of delayed recovery in the world economy, debt processing has taken up a major part of the incomes of developing countries in recent years, unable to emerge from the vicious cycle of the debt trap. But were it not for that borrowing, the growth in many developing countries (particularly those of Latin America) which has helped to keep the recession from getting even worse would never have occurred. Twenty-seven per cent of the world's population live in the "non-OPEC" developing countries.

Despite an awareness of this problem, protectionism is still an important means of dealing with recession problems at home. It is biased precisely against the very products the Third World needs to export in order to get them out of debt. Continued slow recovery implies major risks for the financial community as well as for the World countries which need to sell their exports.

We are dealing with a one world problem—important to the future of us all. The necessity to convince the GATT and the OECD countries of this need is of paramount importance. It is heartening to see that the Brandt Commission's initial statement already takes account of this (The Times, December 13). The climate of opinion for this world perspective within which developed, developing and least-developed countries share different parts is dependent on the press and other media making it understood. May this be a sign of the

beginning of that important process. Yours faithfully, RITA CRUISE O'BRIEN, The Institute of Development Studies, University of Sussex, Brighton, Sussex.

From Mr G. E. McWatters
Sir, I was very happy to read William Rees-Mogg's article (December 12) analysing some of the dangers the industrialized world is facing from developing countries. It is a subject that has not been given adequate attention by either the major political parties or by the CBI and TUC.

From whatever political stance you take, it is only too easy either to talk of the inefficient lame duck industries when the panacea is all out free trade or you tell the stories of unfair trading and the need to conserve employment.

For the past 11 years, I have been closely involved in footwear manufacture, one of the industries sadly now in eclipse. I realize I am not alone when I talk to friends in shipbuilding, tanning and textiles. They like me, are trying to plan a sensible way ahead for their companies—but too frequently amongst political friends we hear impossible thoughts and ideas which only confirm belief that politicians are surely lacking in industrial savoir-faire and unlikely to come up with workable solutions to the problems of competition we are facing from developing countries, other than let our industries disappear.

I believe we as a nation have got to decide between the industries we wish to keep and those we are prepared to see go. I know that EEC terms this decision is in the President's hand, but in the end, it really must be our own responsibility.

Surely there are industries that should be termed strategic—food and clothing being the front runners. My philosophy being that it is contrary to the national interest to be too much in the hands of a foreign supplier—remembering only too well what happened to oil and oil supplies only a few years ago. These strategic industries need government support and this must be wholeheartedly accepted by Labour, Tory, CBI and TUC and all others who are interested parties, especially the tax payer and the consumer as part of the price we must pay for our national security.

The interested parties must fully appreciate why we have enjoyed an influx of cheap imported manufactured goods. The main reasons being:

(a) Much higher labour costs and greater job protection than in the developing world.
(b) Much higher rates of taxation to meet the cost of the Welfare State.
(c) Much higher internal interest rates and financing charges in comparison with cheap loans and grants from bodies like the World Bank.
(d) Free trade.

We have handicapped ourselves out of commercial competition with developing countries, even in the home market. Surely, with industries like tanning, clothing, hosiery, textiles, gloves, footwear, we should so structure quotas and government aid that at least half of our nation's requirements are made in this country.

It is easy for industries to disappear—we have already seen this happen. What happens in the end event of international confrontation—surely we do not want to be the ones fighting in a rearward foot? It is free trade that must disappear and not our industries.

Yours sincerely, GEORGE MCWATTERS, 17 Chester Terrace, Regent's Park, NW1.

Insulating houses

From the President of the Institution of Mechanical Engineers

Sir, The proposal to spend £320m on improving the thermal insulation of houses is praiseworthy. Even Nature gives her support. In these days of energy conservation, the house flowers and by learning to enjoy a 30°C ambience. I am confident that the Energy Secretary will regard this first serious large-scale attempt at energy saving within the country as only a beginning. There are other ways in which even greater savings can be made, and I trust that the government will not be deterred from exploring these possibilities because they are less likely to make the headlines.

Every manufactured article consumes energy both in the production of its raw materials and in

its conversion to the usable finished product. There is considerable scope for reducing this energy input by careful choice of materials, by designing to reduce or obviate machining and, by the elimination of redundant steps. Planning for longer product life may create problems but sooner or later they too will have to be faced.

My Institution is, in fact, arranging a two-day meeting next March under the heading "The Materials Question". It will not set out to advance the frontiers of materials technology, but to draw attention to the fact that it makes no sense to have a high energy input and high energy problem while ignoring the ways in which materials are won and used. Let us hope that interested government departments will take advantage of the opportunity to explore with us further ways in which to save energy on a large scale, not by vast expenditure of money, but by exploiting new engineering techniques.

Yours faithfully, HUGH FORD, President, The Institution of Mechanical Engineers, 1 Birdcage Walk, Westminster, SW1.

From Sir Keith Joseph, MP for Leeds, North East (Conservative)
Sir, I believe that many people in this country, including many Labour Party supporters, are worried about the unremitting erosion of individual freedom.

Despite this widespread and well-founded apprehension, the Labour Party Programme 1976 published by the National Executive Committee of the Labour Party would, if implemented, represent a giant stride further towards totalitarianism. Previous programmes from the same source, "Signposts for the 60s" and "Labour Party Programme 1973"—though dismissed at the time as sabbath rattling—have been largely implemented by Labour Governments.

It was against this background that I took part in a debate with Mr Benn, organized by the Cobden Trust, on "Socialism and Civil Liberty". I argued that socialism and freedom are incompatible: that political and economic liberty are interdependent; that with all resources controlled by the state there could be no independent decentralised ownership to support the writers, critics and reformers

essential to a free society: that free enterprise is a necessary, though not a sufficient, condition for freedom.

I suggested that democracy could not alone safeguard civil liberty because while it answers the question, "Who should make the law?" it does not answer the question, "What limits should there be to the power of the law-makers?" I argued that only a pluralist society can be a free society and that socialism, pluralism is a contradiction in terms.

In reply, Mr Benn shirked every argument. He asserted that democracy would protect civil liberty and that, anyway, civil liberty is simply a label for middle-class privilege. It seems to me that the subject deserves fuller discussion. For this reason, I would welcome an invitation from any suitable body to debate the topic with Mr Benn or any one of his Cabinet colleagues on a public platform. I would make available to my protagonist, in advance, a copy of my written argument and would accept rules designed to elicit the real issues.

Yours faithfully, KEITH JOSEPH, House of Commons, December 14.

From Mr R. A. Pullan
Sir, John Trevelyan writes (December 12) criticizing the Chief Constable of Greater Manchester for his raids on pornographic bookshops. The Publications Control Board, of which the Chief Constable does not of course (in spite of its official sounding name) represent other than a sectional commercial interest. Its purpose of keeping its members' books and magazines within the law is presumably equally as well served by seeing that the law is ineffective, as by curbing its members' excesses. Personally, I find it encouraging that at last, after years of apparent indifference by those in authority, the Chief Constable, the Metropolitan Police Commissioner, the Leader of the GLC, and others, are saying "enough".

There is surely after all a distinct lack of reality in the views of Mr Trevelyan (leaving aside his commercial interest). Because even if it may be true to say that certain small groups of people may have found liberation from their hangups through looking at pornographic books (though there is no clear evidence of this—rather in fact the available evidence points to the contrary) and even if also a large number of adults, like Mr D. B. Taylor (Letters, December 7) "simply have a taste for variety", the cost in terms of the effect on social relationships is so great that these other alleged benefits hardly begin to justify themselves.

And curbing pornography has little in common with political censorship. In fact in so far as pornography is so great that these other alleged benefits hardly begin to justify themselves.

Yours, etc, R. A. PULLAN, 4 Nelson Road, Walsingham, Norfolk, E11, December 14.

From Mr D. A. Acland
Sir, On December 12 you published a letter signed by the "President of the Publications Control Board" under the heading "Curbing the sale of pornography". W. H. Smith was mentioned in the letter.

The Publications Control Board has been set up by publishers of this kind of material. The extent of its jurisdiction is unclear. W. H. Smith are not connected with it in any way.

Yours faithfully, DAVID ACLAND, Chief Executive, W. H. Smith & Son Ltd, 10 New Easter Lane, EC4, December 13.

From Sir Ian Gilmour, MP for East Fife (Conservative)
Sir, The alarming report in your columns (December 14) about BAOR's equipment shortages hardly reflects the opening sentence of your leading article a few days earlier, on December 10, which asserted that "NATO is now in better shape than it has been for some time".

Ever since the Government embarked on its disastrous series of defence cuts, we in the press have constantly stressed the seriousness of the cumulative effects of those cuts on the capability of our front line forces. Our misgivings have been reinforced by the findings of an independent Select Committee precisely in some of the areas revealed by your correspondent—those of air defence, anti-tank capability, and equipment deferrals being prime examples.

Only recently NATO's Secretary General, Dr Luns, has voiced similar concern in a stern rebuke to Mr Milley about the effects of Labour's cuts.

It is such time the Government recognized the extent to which their neglect of our defence—both in equipment and pay—has eroded the confidence and morale of our hard pressed armed forces.

Yours faithfully, IAN GILMOUR, House of Commons.

The courteous gull

From Mr J. D. S. Bloch

Sir, Mr Dawson's letter (December 7) "Almost all birds vacate a vantage point in favour of a newcomer either from fear of its shadow or because the pressure of wind from its beating wings causes loss of balance and subsequent take-off. However, would be cheaters be advised not to stand directly beneath their flocks, or flink path because the apparent courage of the gulls would not extend to them."

Yours sincerely, JOHN FLOCH, Little Orchard, Sneed, Nr Petersfield, Hampshire, December 14.

From Mr Rosalind Bossmont
Sir, Gullibility? Yours faithfully, ROSALIND BOSSMONT, Independent Television News Ltd, ITN House, 48 Wells Street, WL.

Attack on National Front

From Mr Asquith Gibbs

Sir, Your leader (December 9) on the Labour Party's political broadcast attacking the National Front suffers from a major contradiction derived from a gross omission. On the one hand you assert that a head on attack on the National Front is wrong, implying this to be the case because of the publicity such an attack would bring to the end of the present facility for the ending of the present facility in January, 1979. Although the specific undertakings about policy in the letter are muted, it is clear from the general terms of what Mr Healey chose to write that the Government intends to maintain a cautious fiscal and monetary policy. We have, in short, come to the end of the period when the economic policies of the Government had to be formed with one eye at

The firemen's strike

From Mr Charles Clisby

Sir, A quite remarkable turn of events is occurring in the public sector of wage negotiations. Never before have very senior officers come out so openly, vigorously and defiantly in support of their juniors.

It is reported that Brigadiers and Colonels in the London Fire Brigade have joined the picket line.

Senior uniformed management recognize that they have a role to play in keeping their juniors from becoming mutineers and, more, in keeping them out of the hands of extremists and from adopting the appearance of extremists.

It must be remembered that a Labour Government disbanded the Auxiliary Fire Service, cut the full-time service, and near decimated the Regular and Territorial armies. Morale in what remains of the British Fire Service and the Armed Forces over pay is at an all time low.

Willie Whitelaw's peace formula for the Fire Service has been interpreted in the press as "Give the fireman the 12 per cent he proposed and so get the firemen back to work, head held high, with hair cut, clean shaven face and smartly turned out in uniform once again."

Give the fireman back his pride, Minister.

Yours, etc, CHARLES CLISBY, Deputy Assistant Chief Officer, London Fire Brigade Headquarters, Albert Embankment, SE1.

The choice of Maplin

From Mr D. C. Wood

Sir, At the present time I am engaged, under the Rees Jeffries Studentship in Transport, at the London School of Economics, in research on the history of the search for the site for the Third London Airport. In spite of making

all possible allowance for personal bias arising out of my own involvement in the search, I find it impossible to reconcile what I believe to be the facts with a part of an otherwise good supplement (December 9) dealing with UK airports. John Young writes in his article "Fast trains link Heathrow with West End". "It is ironic that the choice of Maplin... might well have brought enormous economic advantages to east London and the depressed areas of the Thames estuary."

It would be interesting to know from where he can produce evidence for that statement. True, remarks to that effect were made by some people, generally from the East End, in the 1960s. But they were mere suggestions of Maplin; but, for every such remark, there were as many exposing the slim foundation on which they were based. If by creating an enterprise—for example a new port—some 40 miles away from existing and similar facilities, if building a massive new town to the same distance away, if concentrating all investment on the north east bank of the Thames, and thereby starving the southern bank of its fair share, can be termed bringing enormous advantages to the East End, John Young may be correct.

A rational appraisal of the facts points the other way, to the interpretation that Maplin would have hastened and not checked, the deterioration of the East End and Thameside, and that its cancellation was a blessing for that too long neglected area. Surely John Young does not think that the East Enders would have commended to the new jobs—if they had arisen—as Maplin? If they moved the necessary 40 miles, what would have taken their place? A regeneration?

Yours sincerely, DERRICK WOOD, Chairman, The Defenders of Essex Association, The Chase, Pegglesham End, Rochford, Essex, December 9.

From Mr D. C. Wood
Sir, At the present time I am engaged, under the Rees Jeffries Studentship in Transport, at the London School of Economics, in research on the history of the search for the site for the Third London Airport. In spite of making

all possible allowance for personal bias arising out of my own involvement in the search, I find it impossible to reconcile what I believe to be the facts with a part of an otherwise good supplement (December 9) dealing with UK airports. John Young writes in his article "Fast trains link Heathrow with West End". "It is ironic that the choice of Maplin... might well have brought enormous economic advantages to east London and the depressed areas of the Thames estuary."

It would be interesting to know from where he can produce evidence for that statement. True, remarks to that effect were made by some people, generally from the East End, in the 1960s. But they were mere suggestions of Maplin; but, for every such remark, there were as many exposing the slim foundation on which they were based. If by creating an enterprise—for example a new port—some 40 miles away from existing and similar facilities, if building a massive new town to the same distance away, if concentrating all investment on the north east bank of the Thames, and thereby starving the southern bank of its fair share, can be termed bringing enormous advantages to the East End, John Young may be correct.

A rational appraisal of the facts points the other way, to the interpretation that Maplin would have hastened and not checked, the deterioration of the East End and Thameside, and that its cancellation was a blessing for that too long neglected area. Surely John Young does not think that the East Enders would have commended to the new jobs—if they had arisen—as Maplin? If they moved the necessary 40 miles, what would have taken their place? A regeneration?

Yours sincerely, DERRICK WOOD, Chairman, The Defenders of Essex Association, The Chase, Pegglesham End, Rochford, Essex, December 9.

Yours faithfully, ASQUITH GIBBS, Senior Community Relations Officer, Lewisham Council for Community Relations, 49 Lewisham High Street, SE13.

Working towards
new
monetary targets,
page 21

THE TIMES

BUSINESS NEWS



Pessimistic view of jobs outlook in Bank of England secret document

By Anthony Westlake.
A secret Bank of England document, which foresees no "acceptable" way of substantially reducing unemployment in Britain for several years, has been revealed in *Tribune*, the newspaper of the left wing of the Labour Party.
The *Tribune* report seems certain to cause a political storm and sharpen the debate over the demand for generalised import controls.
The author of the secret document, which is a Bank of England staff economist, apparently argues that to reduce unemployment to below the one million mark in the 1980s—that is, an average annual growth rate of about 4 per cent—would mean disaster for the trade balance because British industry could not supply the extra demand, and imports would be sucked in.
According to the *Tribune* report, the document says that even a more modest rate of growth—of between 3½ and 4 per cent—would mean a "substantial" increase in unemployment within four years—rejected.
Both the Treasury and the Bank of England are said to believe that export-led growth of more than 3½ per cent per annum would place intolerable strains on manufacturing output.
The report quotes the document as saying that "we are driven to conclude that... falling... unemployment... policies to correct the balance of trade, the scope for reducing unemployment in the medium term is relatively limited, despite the assistance of North Sea oil. All that can be hoped for is a 'small but welcome fall' in unemployment."
By "unconventional" policies the document appears to be referring to import controls along

the lines advocated by the Cambridge Economic Policy Group. The views of this group are also considered in the secret document, and the case for import controls is rejected.
The "overwhelming" argument against import controls, the document says, is that the extra demand in the home market would lead to potential exports being "sucked back into the economy".
The secret document is also said to be scathing about British industry.
It reveals considerable differences of opinion within the Treasury and the Bank of England over policy towards the exchange rate. These differences of opinion run along predictable lines.
On one side are those people who argue for a little stimulation for the economy and gradual depreciation of sterling. On the other, are the monetarists who advocate the maintenance of restrictive policies and a constant or even small appreciation—of the pound.
The secret document, which is an internal discussion paper on medium-term economic problems, also considers what should be done with the extra national income from North Sea oil.
Here it falls back on a Treasury study which suggests using the money to repay international debts or to make room for a large amount of overseas investment.
Last night the Bank of England issued a statement confirming the existence of the document in question. However, they suggested that it was written by a junior economist seven months ago and was not a policy document. Nor did it represent the Bank's views.

German rescue measures fail to rally dollar

By Caroline Atkinson.
Foreign exchange markets appeared yesterday to reject German measures aimed at holding down the soaring Deutsche mark against the dollar.
Sales of dollars began again almost as soon as the German Federal Bank announced the measures in the afternoon. After rising and falling erratically the dollar closed little changed from Wednesday's record lows.
In New York the pound closed at \$1.8502, compared with \$1.8478 the previous day.
Germany's measures consist of a half point cut in the discount rate and some controls on inflows of speculative funds into the country.
Before the Federal Bank's press conference the dollar picked up quite sharply. Dealers were expecting an announcement of significant controls

which would revive the dollar and avert a further fall. In the event the measures were something of an anticlimax.
Many people believe that the dollar has been driven down further than makes economic sense. But no one in the markets is now willing to back that view by buying dollars.
In the past two and a half months the dollar has lost over 10 per cent of its value against the yen and the Swiss franc, and 7½ per cent against the Deutsche mark.
Since the beginning of this month the dollar has lost nearly 4 per cent against the yen and the Swiss franc. This has become an increasing source of anxiety in Germany since it will hit at the profitability and growth of exports.

However, the attempts of the German and other European governments to win American support for a large and coordinated intervention in the markets have failed.
The Carter Administration hopes the dollar's fall will encourage the German and Japanese Governments in particular to expand their economies. If they do not, their growth will be slowed down by the rise in their currencies.
In Tokyo the bank of Japan yesterday demonstrated its willingness to keep purchasing vast amounts of dollars to prevent the American currency from declining further against the yen. Local dealers estimated that the bank absorbed between \$750m and \$800m as the turnover in the spot market swelled to \$883m, the highest volume in about six years.

The British Government has been standing on the sidelines to some extent. The pound has not risen so much against the dollar as have the yen, mark and Swiss franc. This means British competitiveness with regard to those countries is actually improved by the dollar's decline.
Sterling's effective exchange rate did rise slightly yesterday from 63.4 to 63.6, although it closed down 10 points against the dollar at \$1.8465.
When the market's confidence in a currency is extremely difficult to turn sentiment around. Most dealers expect the dollar to come under continuing bouts of pressure.
Its decline is putting great pressure on the European currency "snake" because the weaker currencies within it are not rising so strongly as the mark.

Mr Park to leave British Leyland in the new year

By Clifford Webb

Mr Alex Park, 51, chief executive of British Leyland until Mr Michael Edwards was appointed full-time chairman six weeks ago, is leaving the group early next year. His departure has been widely predicted within the industry since his effective demotion to the position of an executive vice-chairman with much reduced responsibilities.
In statements last night both men acknowledged that the new relationship was unlikely to prove successful. They insisted, however, that they were parting on friendly terms.
Mr Edwards said: "Alex Park and I have agreed that he will leave British Leyland in the first quarter of the new year. Over the past few years Alex has been committed to the company and has made great efforts to achieve the objectives which were set. In the event there have been management changes, including my own appointment of full-time chairman."
"In all the circumstances we have come to the conclusion that the role he has recently taken up is unlikely to work out in the long term and so he will now pursue his career outside the company."
"On behalf of the board and all his many friends and colleagues in British Leyland I wish him every success in the future."

Mr Park was not himself available but a statement issued on his behalf by the company quoted him as saying: "I am sad to be leaving British Leyland but I believe that my departure is in the best interests of the company and my own career."

He remained on the best of terms with Michael Edwards and I would like to take this opportunity of wishing him and everyone else at British Leyland all the best for the future. Mr Park does not appear to have a new job yet, although according to friends he has received a number of approaches.

A colleague said last night: "I think it has been obvious to everyone that Alex was placed in an impossible position. It is not the first time that Mr Park has been placed in a difficult situation. In mid-1975 Lord Ryder took over from the comparative inexperience of a director and thrust him into the limelight as chief executive of a British Leyland rescued from the brink of bankruptcy by extensive government intervention."

It was a tremendous set-up for a man who although acknowledged to be one of the best financial directors in the industry was a comparative novice in the political jungle which surrounds the company's relationship with the parent National Enterprise Board and the Department of Industry. He was given a ready-made team of executives and a business plan chosen and mapped out by Lord Ryder. A more experienced administrator would only have accepted such a task after a great deal more bargaining than Mr Park is known to have engaged in.
The original intention was to shield him from political manoeuvring by appointing a part-time chairman of wide experience. In practice this proved unworkable and was finally dropped with the arrival of Mr Edwards as the first full-time chairman.

The vacant post of executive vice-chairman will be filled by Mr David Andrews, the present managing director of Leyland International. Mr Peter McGrath, finance director of Leyland Truck & Bus, will act as managing director of Leyland International.

Federal Bank introduces controls to check cash inflows

From Peter Norman
Frankfurt, Dec 15

As well as announcing cuts in leading interest rates and moves to neutralise some of the "hot money" that has flown into West Germany in the past fortnight, the German Federal Bank's central council decided today on a partial reintroduction of exchange controls. It will no longer permit non-residents to buy German domestic securities with maturities between two and four years.
At a press conference after the meeting, Dr Otmar Emminger, the Federal Bank president, announced that Germany's bank rate, which has been pegged at 3.5 per cent since September 1975, would be cut to 3 per cent from tomorrow. The Lombard rate at which banks can borrow from the Federal Bank against collateral is being cut to 3.5 per cent from 4 per cent.

To counteract the effects of the inflows of foreign funds on domestic liquidity, the meeting decided to raise the minimum reserve rate for foreign held liabilities in commercial banks.
From the beginning of next year German banks will have to deposit 20 per cent of their foreign-held liabilities in non-

interest bearing accounts at the Federal Bank, compared with 12.75 per cent at present. The minimum reserve rates for time deposits are being increased to 15 per cent from 8.95 per cent and those on savings deposits to 10 per cent from 5.65 per cent. At the same time new inflows of foreign funds will be channelled into the Federal Bank's non-interest-bearing accounts as a result of a new regulation whereby 100 per cent of the growth of the bank's foreign liabilities from January 1, should be placed in a special minimum reserve account.
The Federal Bank's council also found the time to set a money supply target for 1978. Accordingly the Federal Bank will aim for an average growth of 8 per cent in its central bank money stock next year, compared with 1977, the target which is unchanged from that for this year, implies a rise of between 5 and 7 per cent in central bank money, between the fourth quarter of this year and the final quarter of 1978.

After the meeting Dr Emminger said the foreign exchange markets were wrong in their assessment of the Deutsche mark. The 10 per cent revaluation of the mark against the dollar since June and the 7



Otto Graf Lambsdorff, West German Economics Minister (left) with Dr Otmar Emminger, central bank president and Dr Hans Apel, Finance Minister after yesterday's meeting of the central bank council.

per cent upwards valuation against the Federal Bank's weighted average of currencies were not justified by price and cost developments.
But he conceded that the bank's powers for action were limited. The dollar problem was a worldwide problem and its solution lay primarily with the United States. On the other hand, the Federal Bank recog-

nized that the United States monetary authorities had only limited scope for action in the short term.
Dr Emminger admitted the half point cut in bank and the Lombard rates will hardly deter speculative funds from flowing into Germany in hopes of a revaluation profit. But he said that interest rate differentials were important in more normal

times and would be important in stabilizing conditions in the European currency "snake".
He expected the interest rate changes might push down short term and Eurorates by perhaps one half percentage point. He argued that Germany could not venture on a steeper interest rate cut because of its inflation rate which is currently around 3.7 per cent.

Sir Harold finds report on property crisis 'a bit thin'

By Andrew Goodrich-Clarke
Financial Editor

An account of the 1973/74 property crisis by the Bank of England has disappointed the Wilson Committee which commissioned it. Sir Harold Wilson, who is leading a major investigation into the financial system, yesterday described the Bank's report as "a bit thin" and "mainly historic".
He indicated that further and "more probing" work would be required if the report was to meet the committee's objectives, which were to analyse why the secondary banking and property crisis "distortion" occurred; to identify the consequences were and what they still are.
Sir Harold was introducing an interim "progress report" on his committee's work, which so far has been concerned with the provision of funds for industry. Work on this stage of the inquiry is still going on and unlikely to be completed until Easter. But it was already clear, Sir Harold said, that the problem was not one of supply of funds but the fact that "the cheques are not being signed".
So far the committee had been able to come up with a "unimpressive" report on an assessment of the evidence. It was possible that some form of interim report containing recommendations would be produced early next year, but he

no means certain.
Meanwhile, the committee saw its role as being a catalyst; a point which had already been demonstrated by early action by the Government to help small companies following evidence from the Wilson Committee that a financing gap exists in this area.
The committee had no objection to changes taking place during the period of its inquiry, and was quite happy to make recommendations on "what was left at the end of the day", said Sir Harold.
Work on the second stage of the investigation—to examine closely the actual functioning of the City institutions—was beginning. Two main panels had been set up within the committee to undertake this task.
On the third question of whether state ownership should be further extended in the financial sector, no pressure for early consideration had been brought on the committee. Sir Harold nevertheless promised "objective" consideration.
Meanwhile, important issues were being raised with the committee, among them EEC Commission suggestions that Britain was operating a foreign exchange cartel. If it is to be successful, that anyone can set up as a foreign exchange dealer regardless of experience and ability then this could raise very serious questions, Sir Harold said.

Wider scheme for sterling financing of exports will end clearers' monopoly

By Christopher Wilkins

A new scheme which will allow British banks to increase their sterling financing of exports, while avoiding a significant rise in Government refinancing, was outlined yesterday by Mr Dell, Secretary of State for Trade.
The new arrangements will take effect from April 1 and involve replacement of the present refinancing formula with a new and more flexible one.
In the first instance the clearing banks, which at present have a monopoly of export credits, have agreed to extend the proportion of export financing which they carry on their own books.
Until last year the clearers took into their own portfolios export loans backed by the Export Credits Guarantee Department up to an amount equal to 18 per cent of their current account balances. Thereafter, all loans were refinanced by ECGD. Last year

refinancing totalled £50m, plus a further £220m in interest subsidy. Altogether ECGD has refinanced £2,195m of bank advances totalling £4,095m.
By stages the clearers have agreed to increase the proportion they will finance immediately to 20 per cent—at present it is still 21 per cent—but under the new arrangement this figure will rise to 24 per cent.
With effect from April 1 this formula will be frozen, and the new scheme will be thrown open to all authorized banks incorporated in the United Kingdom, thus breaking the former clearing bank monopoly.
Banks will only be able to refinance export credits maturing in more than five years. ECGD estimates that about 20 per cent of sterling fixed-rate finance carries a maturity of more than five years, and on the basis of 1976 ending figures the next April, when loans are forecast to total about £1,600m, the amount eligible for refinancing under the new scheme been in

operation would be about £320m.
The latest scheme is not intended to affect the currency financing scheme introduced at the end of last year, under which banks were encouraged to denominated virtually all their big buyer credit business in foreign currency.
But to the extent that it allows the banks to step up their own sterling lending for up to five years it will clearly add an additional flexibility to the currency scheme.
The uncertainty is how far the banks will want to increase their sterling lending of up to five years. Although lending under ECGD guarantees is risk-free it is long maturity, illiquid and poses problems of matching deposits with liabilities.
However, the banks have said they will be able to provide the necessary level of finance, and the admission of new participants will broaden potential loan sources.

Private sector to qualify for European loans

By Malcolm Brown

The Department of Industry is introducing a scheme to facilitate private industry borrowing from the European Investment Bank. It will guarantee borrowers against exchange rate losses, thus putting private borrowers on a level with the state industries which get cover through the Bank of England.
This facility has not existed for private borrowers with the result that the bulk of last year's £260m United Kingdom borrowing from the investment bank went to nationalised industries.
Provision will be made in the scheme to bring smaller companies within the ambit of the EIB: up to £20m has been set aside to be channelled through government departments which will both provide a guarantee against exchange losses and, where necessary, a commercial guarantee of repayment to the bank.
The department said yesterday that the rates of interest likely to be charged by the EIB would be 7½ per cent for 7-year money; money at 10 years would cost around 8 per cent. The Government's charge for the exchange risk scheme would be about 1 per cent per annum.
In the Commons yesterday Mr Dell, secretary of State for Trade, announced a new insurance scheme for large overseas projects worth £50m or more.

section 7 of the Industry Act 1972, and apply to employment-critical projects in manufacturing industry in the special development and development areas and in Northern Ireland. It will be reviewed towards the end of next year.
"The bank is prepared to make loans for 50 per cent of the cost of fixed assets of the project up to their normal maximum of £50m," Mr Williams said. "They do not make loans of less than £2.5m."
"I am pleased to say, however, that we have made special arrangements to enable the smaller companies to take loans from £50,000 upwards."
Under the special arrangements agreed with the bank, loans from £30,000 to £2.5m will be made through the appropriate government department which will both provide a guarantee against exchange losses and, where necessary, a commercial guarantee of repayment to the bank.

Hill Samuel will shift banking thrust overseas

By Ronald Pullen
Banking Correspondent

Hill Samuel has embarked on a big reorientation of its activities away from the United Kingdom towards the international merchant banking field. These changes were underlined yesterday by a clutch of boardroom changes designed to provide the bank with the management structure to underpin the shift in emphasis.
Sir Robert Clark, at present group chief executive, is moving away from the day-to-day operations of the merchant bank subsidiary, of which he remains chairman, to "concentrate on the affairs of the group as a whole".
Stepping into his shoes as chief executive of the merchant bank is Mr John Elton, a former chairman of Alcan Aluminium (UK), joining him on the domestic side will be Mr Richard Lloyd, at present chief executive of Williams & Glyn's Bank who will head up the merchant bank's United Kingdom division.

To highlight the increased importance that is being given to the overseas side, Mr David Clarke and Mr Mark Johnson, who are at present joint managing directors of Hill Samuel Australia, are joining the main board, and Mr Christopher Castleman is to become managing director of Hill Samuel's South African operation.
Business Diary, page 21

OFT studying road top pacts

Nine companies have been

notices by the Office of Fair Trading under the Restrictive Trade Practices Act, 1976, requiring them to provide details of alleged price-fixing agreements in the supply of road surfacing materials, known in the trade as black top.
It is understood the OFT inquiries were helped by a former executive

Japan's new growth target of 7% welcomed by US

Washington, Dec 15.—Japan has adopted a 7 per cent economic growth target for the year starting April 1, it was announced today at the conclusion of United States-Japanese economic talks.
Mr Robert Strauss, America's international trade negotiator, said this was a "very positive step" in Japan's efforts to reduce its current account surplus and to resolve other problems with the United States.
"We are encouraged," he told a press conference, but added that America and Japan had not resolved numerous basic economic issues. He also said that the tariff reductions and other steps announced thus far by Japan were "still inadequate" to meet the needs of both countries.

He held out the possibility that America and Japan could hold another round of bilateral negotiations in Tokyo in January, but he stressed that he did not intend to go to Japan for further talks unless such meetings could produce meaningful results. "If we close the gap, I would look forward to Tokyo," he said.
Mr Nobutake Ushiba, Japanese Minister for External Economic Affairs, said he hoped that his country's commitment to reduce its current account surplus in international payments would permit the yen to stop appreciating against the dollar and find a reasonable level.
He added that Japan's surplus might be reduced to a low level within two years.

How the markets moved

The Times index: 200.77 + 0.27
The FT index: 472.1 - 1.9

Rises

Becham	5p to 67½p
Beit A	5p to 130p
Broken Hill	10p to 47½p
Finlay J.	9p to 29½p
Hawker Sidd	6p to 18½p
LMA Merch Secs	5p to 7½p
LDN Ridge	5p to 15½p

Falls

Arb-Latham	5p to 160p
Barton & Sons	2p to 47½p
Orchard Wood	12p to 25½p
Hawley	5p to 190p
Hunting Gibson	10p to 230p
Ken M. P.	3p to 23p
Le-Bas E.	2p to 36p

Sterling lost 10 pts to \$1.8465. The effective exchange rate index was at 63.6.
Gold lost \$1.25 an ounce to \$158.875.
SDR—\$ was 1.2019 while SDR—£ was 0.650709.

On other pages

Business appointments	23
Appointments vacant	28, 29
Wall Street	24
Bank Base Rates Table	24

THE POUND

Australia \$	1.67
Austria \$	2.75
Belgium Fr	64.75
Canada \$	2.07
Denmark Kr	11.26
Finland Mk	2.15
France Fr	6.55
Germany DM	4.12
Greece Dr	77.08
Hongkong \$	8.25
Italy L	164.00
Japan Yn	163.00
Netherlands Gld	4.46
Norway Kr	9.92
Portugal Esc	80.80
S Africa Rd	159.25
Spain Ptas	163.25
Sweden Kr	9.07
Switzerland Fr	3.99
US \$	1.89
Yugoslavia Dn	37.25

Commodities: Reuters' index was at 1431.4 (previous 1437.4). Equities were quiet.
Gilt-edged securities scored gains. Dollar premium 94 per cent (37.29 per cent).
Reports, pages 23 & 24

£3,000m support for British Rail

By Michael Bailey
Transport Correspondent
British Rail receives support of £3,000m in the new Transport Bill published yesterday. This is twice the sum provided in the last measure of its kind, but ministers said yesterday that the difference was primarily due to inflation.
The £3,000m can be spent over an unspecified number of years, subject to parliamentary approval, but the rate will be constrained at about £300m a year in 1978 terms as set out in the transport White Paper. Earlier this year, it was emphasized.
The Bill also provided for transfer of control of Freightways to British Rail with no addition to the railways' capital debt, and for a capital reconstruction of the National Freight Corporation, which Sir Daniel Pettit, its chairman, last night described as "less than adequate".

Ransome Hoffmann Pollard

Vaux Breweries	20
Interim Statement: Wilkinson Match	20

Cope Allman International Limited

An international group of companies engaged in packaging, engineering, fashion and leisure.

Highlights from the Chairman's Report on Year ended 2nd July 1977

- * Pre-tax Profits near £10M
- * Further Growth in Exports
- * Strengthened Balance Sheet
- * High level of Capital Spending to continue

Against a 25% uplift in sales, profits increased by over 50%. The dividend is increased by 10%, the maximum permitted. Earnings per share (before exceptional items) rose from 7.71p to 11.43p. Capital expenditure reached £9.5M and the continuing substantial investment programme should safeguard the future prosperity of the Group.

Louis Manson,
Chairman
27 Hill Street London W.1.

Local authority borrowing

of the salt marsh
 which were
 had in fact
 planned to
 published
 and, adding to
 and public ac-
 which in statu-
 and 11 per cent
 nationalized by
 is not quite
 results will be
 very and the
 growth
 are different
 have been had
 in the to-

'Honest' pricing for diesel fuel

From Mr John Engleheart
Sir, A recent letter advocates the retention of a punitive price for diesel road fuel on the grounds that fair competition between fuels would favour the import of cars made in other countries where diesel engine manufacture is more advanced than here.

This seems to me a dubious and slightly immoral argument. Diesel fuel has every right to be sold more cheaply than petrol, since it is less refined and incomparably safer to

Polish ship 'dynamite'

immersed tunnel, as described in *The Times* of April 23, 1973, could accomplish this at about the same cost as the rail tunnel.

areas as the Varne Bank, now dangerous to shipping, were reclaimed and used as intermediate islands where the tunnel would surface and so that no length of tunnel would be more than seven miles long. This would make ventilation for road traffic possible and break up the monotony of the journey.

100-443887-100



BY THE FINANCIAL EDITOR

Meeting the money supply targets

Just when a degree of calm appeared to have returned to the gilt market, there was the Bank of England yesterday announcing that money supply had in fact been growing not just faster than planned but even faster than the previously published figures had suggested. Indeed, adding back the £400m odd of misclassified public sector deposits pushes up the growth in sterling M3 so far this year to around 8½ per cent, or nearly 15 per cent on an annualized basis.

All, however, is not quite as bad as it seems. Those deposits will have been run off by early January and the full year outcome for monetary growth will not, apparently, be any different to what it would otherwise have been had the deposits never been placed in the system or misclassified.

That leaves us with an annualized growth rate for sterling M3 after seven months of the financial year of 13½ per cent. Given the size of the likely undershoot in PSBR and the fact that delayed wage settlements and tax rebates are probably slowing the upturn in consumer spending and therefore the industrial demand for bank loans, money supply may now finish the year within a whisker of the original target. Meanwhile, the second letter of intent to the IMF is giving little away about next year's likely money supply targets, though the fact that the ceiling has not been raised above £3,600m may relieve some.

Distillers

Pressures from the EEC

Distillers' stock market rating currently hangs largely on the eventual outcome of EEC deliberations about its dual pricing policy. So the stock market remained unimpressed yesterday about news of a near 40 per cent pre-tax profit increase to £74.3m in the first six months. Severe distortions in the half-time trading figures caused by advance United States buying ahead of the anticipated United States dock strike have further clouded the picture with the result that the shares shed 3p yesterday to close at 170p.

A sales increase of 7 per cent to £401m reflects a fairly severe volume drop in the United Kingdom as evidenced by a duty charge of under £120m compared with £145m last time while ex-duty sales overseas have risen 23 per cent to £172m.

One view is that the European Commission's view on dual pricing had already been discounted in the share price. An adverse ruling requiring the group to raise domestic prices by as much as 50p a bottle could result in some loss of share in United Kingdom markets but these now account for no more than 14 per cent of DCL's total Scotch whisky sales.

For itself DCL is not prepared to take a decision on pricing policies until the Commission's findings are published but it reports that any resolutions should have no appreciable effect in the short-term.

Whatever the level of United Kingdom spending this Christmas full-year profits should be comfortably in excess of £150m to provide a p/e ratio of around 8½ while the yield is over 6 per cent. And with price increases in both home and overseas markets likely to improve profit margins next year the present rating could provide buying opportunities.

Associated Engineering

Slowing down

Associated Engineering's unsuccessful bid for Serck earlier in the year always had the look of an attempt to buy growth through acquisition as internal growth eased. In the event Serck's own potential growth looks uncertain while after an explosive couple of years AE looks to be admitting that it is slowing down too.

As with many other engineering groups AE is not finding it particularly easy to move to a phase three settlement with its

workers, and the doubts over satisfactory solutions to wages claims is a major factor in assessing first half profits. But the management's caution in forecasting extends beyond that to a view that profits growth in the current year will not be as fast as in previous years.

However, the group is at pains to stress that there was no real slow down in sales growth (at constant exchange rates) between the first and second halves of last year, and the one point fall in pre-interest margins to 11.8 per cent can largely be explained by the effects of the Lucas strike.

The worry seems to be that the changes of sales mix with the growth of higher margin diesel engine and replacement part components has now largely been worked through and future gains will have to come from breaking into new higher value top-range markets, which might prove a difficult and slow process.

Profits improved by 55 per cent last year to £32.5m, comfortably beating the forecast of at least £30m, and it would clearly be unreasonable to expect growth to continue at that sort of rate.

Undoubtedly the 8 per cent rise in production of trucks and buses in the United Kingdom and a further growth in replacement parts, making up for a drop in lower margin business in aircraft components last year, had a big impact on the results. In the current year it is not expected that there will be any significant growth in truck and bus production in the United Kingdom but there is likely to be a rise in United Kingdom car registrations.

There are doubts as to whether this will be taken up by imports or by improved production of home manufacturers, but either way margins on original equipment are not so great as on replacement parts. However, it is too early to write off Associated Engineering as a growth company, given that it could achieve a 15 per cent rise in profits in the current year.

Even so, a yield of 6 per cent at 117p and a p/e of 8.6 in the current climate for engineering shares looks under pressure.



● The indifferent market rating of Charterhouse, whose chairman is Mr Nigel Mobbs (above), is due largely to its unexciting mix of banking and industrial interests, which have always looked unhappy bedfellows, and a failure to perform at the profits level.

Those reservations are apparent in the latest full year figures although pre-tax profits up from £7.4m to £8.5m broadly matched market expectations.

The banking and distribution activities have done markedly better and insurance broking and development capital would have done so but for sterling's weakness, but the construction interests have turned out to be the Achilles' heel this time round. Here the Charcon subsidiary has been laid low by the downturn in the construction industry and despite profits from the rest of this side operating losses of £1.04m have been sustained against last year's £1.2m profit.

For 1978 the hope is that Charterhouse will get on an even keel. The indications are more promising than for some years with construction losses likely to be over, and there should be a maiden contribution of £1m, rising to £2m in 1979, from the Thistle stake.

With a little luck that should mean £12m pre-tax at Charterhouse next year which should lower the historic p/e ratio of just over 10 at 59p by some 3 points. Meanwhile, retentions of only £262,000 has meant only a maintained distribution this year though the yield is still usefully above the market average at nearly 9 per cent.

Business Diary: Something to sing about?

It may be Mrs Sally Oppenheim, the Conservative MP who is claiming that this will be the most expensive Christmas in living memory, but according to the indicator published annually in *The Times*, Christmas 1977 could be the cheapest since 1973.

The cost of the true lover's Christmas, supposing he or she actually bought all the items enumerated in the song "The Twelve Days of Christmas", has plummeted by 23 per cent, or £1,107.40, since last year. It now stands at £3,802.50.

The improvement in true love's economic outlook this year may be partly due to the fact that the World Wildlife Fund, which usually compares the figures, was too busy this year. Business Diary, obliged to compile the index itself, found cheaper sources of supply in some cases and haggled for money-saving bargains in others.

Our biggest coup was in persuading Ballet Rambert that 11 ladies dancing would not be required for a whole week, since they hoped only on days 11 and 12. The ballet is much in demand at festivals and now accepts short engagements, so its bill for 11 ladies was cut from a proposed £798 to £206 at a stroke.

We also saved on the five gold rings. The World Wildlife Fund bought wedding rings at 59 each, but this year we discovered it would be possible to get golden dress rings at only £5, a total saving of £160 over £3, a eight days on which they are included in true love's presentation pack.

Services are up at £5 each, but the advent of cash-and-carry garden centres brings the price

of pear trees down to £2.50. London Zoo quotes turtle doves at 54 each. French hens (red jungle fowl) are up at £12.50, because although we heard of a game breeder allegedly willing to sell them for as little as £5 a pair we never managed to contact him.

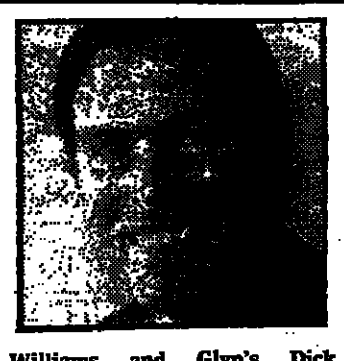
Colly birds are not so much rare as almost unobtainable. They are blackbirds and have to be aviary bred if they are to be sold without contravening the bird protection laws. This year they are reckoned at £10 each.

Geese and swans, supplied under strict conditions by the Wildfowl Trust, are £27 and £32.40 a pair respectively and up in both cases. The milkmaids, at minimum unit rates, are £7.80 each for an eight-hour day and it is already known that they will be dearer from January 20.

With the drummers and pipers, though, we save again, because the Musicians' Union now accepts that a private engagement such as ours might allow them to claim a concession which realises a total saving of £400.30.

With such seasonal goodwill about, the true lover might be prepared to allow that on the last two days the lords-a-leaping (given the maximum allowance they could claim as London residents for attending the House of Lords, unchanged at £13.50) and the ladies dancing constitute a cabaret, upping the musicians' pay by £231 a head.

■ The top brass at Williams & Glyn's continue to vote with their feet. After rather too



Williams and Glyn's Dick Lloyd: one into three wouldn't go.

many property losses during the secondary banking crisis for the liking of the careful Scots, the parent National and Commercial Banking group has effectively allowed its other bank, the Royal Bank of Scotland, the whip hand in running W & G's southern end of the banking group.

The first wind of these changes came when NatCom chairman Sir James Blair-Cunynghame moved into the driving seat at Williams & Glyn's and established a Royal Bank management team which left the Williams & Glyn's people out in the cold. Soon after, Alex Ritchie and John Morgan, second and third in the command chain, skipped away. They were followed by Ian Logie, who looked after international banking.

The latest departure is that of Dick Lloyd, the chief executive, whose appointment to Hill Samuel as deputy chairman, as part of its restructuring to face the new challenges in the merchant banking world, was

announced yesterday. For Lloyd, a 49-year-old career banker, the Hill Samuel opportunity came at a time when he was considering what to do now that the top job in Williams & Glyn's was not to be vacant for some years.

Having joined the old Glyn, Mells bank—a celebrated training ground for bankers—a quarter of a century ago after Oxford and the Army, Lloyd moved up swiftly and overtook the merger in 1968-69 which spawned the NatCom group.

■ A less than festive time for Teddy Thompson, who this week takes over from Robert McNeale as chairman of The Brewers' Society.

Thompson, the chairman and managing director of W & A (McNeale is with Guinness), comes in as the brewing industry is once again under the legislative searchlight: the question is, can he make a break with past form, whereby the society is more social than anything else?

Two things happen today. Thompson will head a delegation who have been summoned by Roy Hattersley, the Secretary of State for Prices and Consumer Protection.

Secondly, four other Government departments—Health and Social Security, Education and Science and the Scottish and Welsh Offices—weigh in with a White Paper on Education and Health. More inquiries are promised.

This document could be taken by a minister, Hattersley, for example, as recommending an increase in the price of alcohol

as "Alcoholism and the abuse of alcohol generally are a cause for concern".

Between 1970 and last year, however, the White Paper points out, the price of beer as well as of wines and spirits—of which brewers purvey—fell, compared with advances in real per capita income.

Hattersley wants to see the brewers' report to the White Paper but about another document, the untimely in the last decade, a Price Commission report that appeared in July.

This, if anything, supported the brewers' case for a penny or so on the pint in the new year, although the trade would be agitated at any artificially high increase for social reasons, particularly if all the money were attributable to duty increases.

But the commission's report unexpectedly reopened the old controversy about the tied house system, amply covered by the Monopolies Commission in 1969.

The point is, however, that the Brewers' Society had no idea that the commission was going to reopen this issue. Thompson and his chief spokesman, the deputy chairman of Adfield Breweries, Derek Holden-Brewers, will be attacking the report's scope and conclusions, but late in the day and with little history of influencing legislation anywhere near as effectively as the numerically and financially slighter temperance lobby.

The chief sanitation officer for the City of San Francisco is a Mr Grotto.

John Whitmore

Towards new monetary goals

'It is still early days, but there does now seem to be a reasonable possibility that sterling M3 growth for the full 12 months will finish up as close to the 13 per cent ceiling as is likely to worry no one'

has in fact been growing rather faster than the previously published figures reveal at an annualized rate approaching 15 per cent.

The mystery public sector deposits that were wrongly classified as inter-bank money and, therefore, wrongly counted out of the statistics, will in fact have liquidated themselves by mid-January and should have no bearing on the full year money supply outcome.

Taking this to be the case, money supply growth to date is running at about 13½ per cent on an annualized basis, still slightly above the projected ceiling. It is still early days but there does now seem to be a reasonable possibility that sterling M3 growth for the full 12 months will finish up as close to the 13 per cent ceiling as is likely to worry no one.

Although the public sector borrowing requirement is going to be rather higher in the final months of the present financial year than it has been to date,

it is still going to be less in the second half of the year than was generally thought likely a couple of months ago.

In addition, the sharp rise in bank lending in October now looks as if it was exceptional—partly reflecting borrowing up purchase government certificates of tax deposits—while the latest trends in industrial production suggest that bank borrowing by industry may now be a matter of weeks ago. That said, the authorities still stress that monthly money supply figures could be erratic, while it remains to be seen to what extent the situation could be complicated by domestic developments on the labour front or by any external developments resulting, for instance, from the latest German moves to deter currency inflows.

Increasingly, then, attention is starting to focus on prospects for 1978-79. So far, however, there is a limited amount of information to work on. The second letter of intent to the IMF, published yesterday, adds little in itself and the Government, understandably, at this stage, is giving little away on the kind of money supply targets it is expecting to set. What the letter does at least do is soothe the nerves of those who had been fearing that the Government might have been after a reflationary package of £3,000m in the spring and, as a result, an upward revision of the previously indicated ceiling for the public sector borrowing requirement of £3,600m.

That said, there is still going to be much debate over the coming months as to whether even £3,600m is not too high. At the moment it looks as if the Government will have room for up to £1,800m of "give-aways" next year, but there are those who feel that it should be appreciably more cautious and should be going for a PSBR

rolling monetary targets should give the Government greater scope to achieve this target. The Government's political will, just how far there is still to go might be judged by the new monetary targets set by the West Germans—8 per cent and on a higher projected economic growth rate than the United Kingdom.

Therein, of course, lies the dilemma and it is a pity that the Bank, seemingly rather more prepared to speak its mind in public these days, is not yet prepared to spell out in rather more detail what it feels the happy medium to be. What the Bank did say, however, was that the monetary posture next year should, while accommodating a moderate rate of real economic growth, be such as to take full account of the need for inflation to be reduced.

Bringing the fruits of research to light

The real world of engineering industry sometimes seems light years away from the world of academic research. Industry complains that the academic research is irrelevant; university researchers scorn industry (and the National Research Development Corporation) for not immediately applying the new knowledge straight from the PhD thesis.

And yet there is a need for research to be applied in industry; to reduce the latter's construction losses likely to be over, and there should be a maiden contribution of £1m, rising to £2m in 1979, from the Thistle stake.

With a little luck that should mean £12m pre-tax at Charterhouse next year which should lower the historic p/e ratio of just over 10 at 59p by some 3 points. Meanwhile, retentions of only £262,000 has meant only a maintained distribution this year though the yield is still usefully above the market average at nearly 9 per cent.

It is unrealistic to take the results of one good research project and wonder why industry does not make better products.

Even when the problem is narrowed down to what is known in the present fashion, the phrase "technology transfer"—the transfer of existing knowledge obtained in one field to a new use in another field—has a wide range of options is seemingly wide.

Both the complexity and a key weakness in the present processes of transfer were illuminated earlier this week in a lecture to the Institution of Mechanical Engineers by Mr Michael Neale, a consulting engineer.

The processes of acquiring knowledge and of applying it are generally separate activities, involving different people in different parts of the organization. Thus there is a gap to be bridged, but it is not a simple matter of picking up knowledge from A and putting it down at B.

In trying to match problems with solutions it is in general not a good idea to start with a solution and then try to find a problem to fit it. But, even when starting in the right direction with a real problem and then seeking solutions, it is a mistake to assume that all will be well if only the one right research project is found.

This point was driven home by Mr Neale's real-life example. The problem was to produce a design method for a certain category of journal (shaft) bearings. To gain an understanding of all facets of the technology involved the results of no fewer than 70 separate research projects were needed.

These covered such aspects as oil film thickness and temperature, oil flow conditions at the inlet, effects of misalignment and shaft deflection, load-carrying capacity, oil film power loss at high speeds and so on. The relevant research had come from university, industry and from laboratory sources in Britain, the United States, Germany, Japan, Romania, Sweden and the Soviet Union.

This multiplicity is not uncommon. Combining parts of the results of 50 or more research projects is quite typical for the motion of most industrial problems. Mr Neale points out. The example quoted was for a fairly simple engineering component—the argument applies with even more force where complete machines and complex plant are involved.

Thus it is completely unrealistic, Mr Neale argues, to take the results of one good research project and wonder why industry does not adopt it to make new and better products. It is essential to start from the practical industrial need and then look widely in the research field to collect the relevant information.

As for the general process of technology transfer, this can be either "vertical" or "horizontal". Vertical transfer includes the flow of information from

universities and research laboratories to industry; from a technologically advanced sector of industry to a less advanced sector; and from a technologically advanced country to a developing country.

Horizontal transfer, by contrast, implies a move across at the same level of technological development, such as that between two companies which are already using broadly similar kinds of technology. It takes place via conventional channels of communication—articles in technical journals, discussions with suppliers and so on—and is a well-established process.

The vertical route can provide the greatest benefit, but demands the greatest effort. The transfer can be made by the movement of individuals, who take the knowledge with them; by a license agreement on a particular innovative product; or by the publication of knowledge which has been condensed and prepared into a form suitable for problem-solving.

Individual movement is limited. There are, for example, few people in research establishments who

are motivated to move out into the more disturbed environment of commercial industry—and who, if they did move out, could communicate effectively with the engineers already there.

The transfer of innovative products and systems, too, is limited. Not many innovative artefacts are available and suitable for direct transfer into wealth-creating industry.

It is the third transfer technique, that of providing part processed or evaluated data in readily usable form, that Mr Neale sees as having the greatest potential for helping industry and encouraging the practical use of research results. Up to now, he says, this technique has been under-exploited.

One successful exploiter of the technique is the Engineering Sciences Data Unit, London, an offshoot of the Royal Aeronautical Society, which publishes a wide range of "data items". Full-time professional engineers produce evaluated data based on research results (and on original work of their own), which are then available for use by designers. Other examples are the pro-

duction of technical handbooks (on general subjects such as tribology) and the transfer-assisted work of certain research associations and consultants.

The resulting output could, for instance, be an analysis of the performance (eg, the wear of the cylinders) of internal combustion engines. Expressed in graphical form, this could show the relationship of wear rate to the size and type of engine. Similar analyses could give effective understanding of whole areas of technology across a very wide range.

Mr Neale believes that this concept of part-processed, evaluated data as a midway reference source between research and industrial use could be better promoted by the professional engineering institutions and the universities and polytechnics. At present the institutions tend to concentrate on publishing and discussing research papers; while research PhDs tend to narrow rather than broaden the mind.

Kenneth Owen Technology Correspondent

VAUX BREWERIES

"Beer sales during the summer have been good" reports Paul Nicholson, the Chairman.

In December 1976 the company announced a change of financial year-end from April to September and the extension of the year to the 1st October 1977. These results therefore cover a period of 17 months and for comparison purposes the unaudited figures covering 12 months to 1st October 1977 are also shown below.

● Pre-tax profits for 12 months to 1st October 1977 show an increase of 18% over comparable figures for the previous period. A final dividend of 11.539p per Ordinary share (the maximum permitted) is proposed for payment on 13th February 1978 to those on the register on 16th January 1978.

● Beer sales during the summer showed an increase of some 5% over last year. Sales in Scotland have been better than the general trend and Lorimer's beers are proving increasingly popular. Since the year-end we have launched a new beer in north-east England called Sunderland Draught Bitter, available in cask, tank or keg.

● Swallow Hotels made excellent progress and the policy of limited diversification, started some years ago, is proving itself.

● Our capital expenditure programme, involving some £30 million in the next few years, is on stream. Our new lagering equipment in Sunderland should be ready in time for next summer's trade and we hope to open the new wing at the Royal Scot Hotel in the spring. We have negotiated adequate facilities to meet our requirements and these together with our normal overdraft and borrowing facilities, are adequate unless unforeseen opportunities arise.

● The biggest cloud on the horizon is the danger that, for political reasons, we may not be able to implement necessary price increases. Improved productivity should keep our wage cost per unit within the government's guidelines, but many other costs continue to rise fast.

● We propose to divide our existing £1 Ordinary shares into shares of 25p each which will not only bring us into line with most of our industry, but should also make it easier to market our shares. In addition, plans are in hand for a profit-sharing scheme whereby employees can become shareholders in the company.

● We are the only independent brewery with headquarters and pubs in the north-east of England. We are not too large to lose contact with either our customers or those who work for us. In addition we aim to play a full part in the local communities in which we do our business and on whom we depend for our success. With these policies we believe the outlook is good.

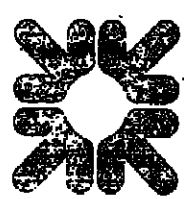
Comparative Figures

	Year to 30 Apr 74 (audited) £000	Year to 30 Apr 75 (audited) £000	Year to 30 Apr 76 (audited) £000	17 months to 1 Oct 77 (audited) £000	Year to 1 Oct 77 (unaudited) £000
Turnover	36,200	44,450	56,550	93,850	67,750
Profit before Tax	3,808	3,893	4,423	8,242	5,738
Available for shareholders	2,054	2,023	2,241	4,137	2,882
Capital employed	32,619	38,540	41,721	46,250	46,250

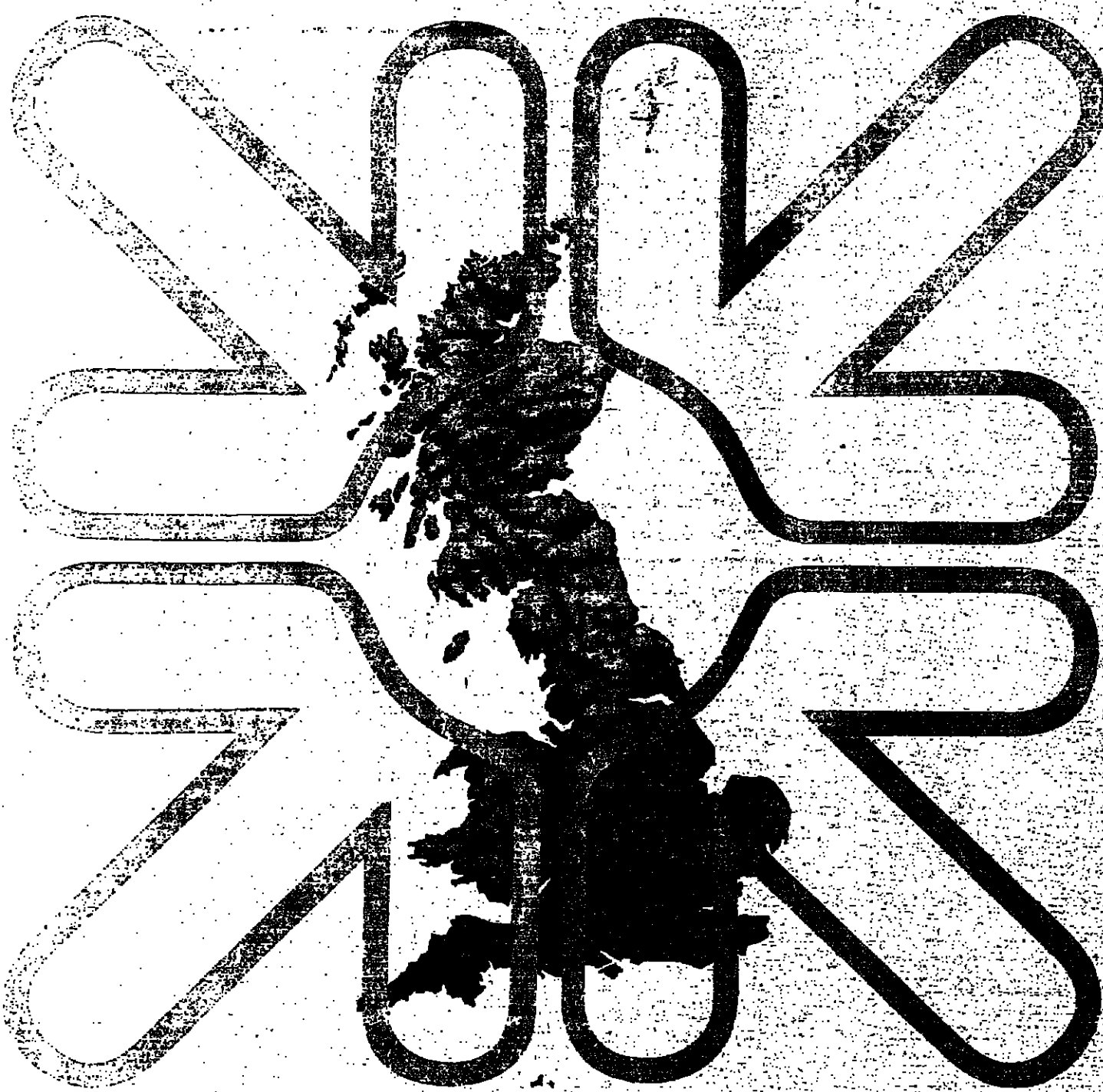
The Annual General Meeting will be held in Sunderland on 3rd February 1978. Copies of the Report and Accounts are available from the Secretary, Vaux Breweries Limited, The Brewery, Sunderland SR1 3AN

National and Commercial Banking Group LIMITED

The Royal Bank of
Scotland Limited



WILLIAMS & GLYN'S
BANK LIMITED



Symbol of our Strength

The Annual General Meeting of the Shareholders of National and Commercial Banking Group Limited will be held in the North British Hotel, Edinburgh, on Thursday, 12th January 1978, at 12 noon. The following is from the Statement by Sir James Blair-Cunynghame, OBE, LL.D., D.Sc., Chairman of the Board.

THE YEAR'S OPERATIONS

The relatively modest increase in profits for the twelve months has been achieved against a background of depressingly stagnant demand for bank credit and a lower average base rate for the year of 10.71 per cent. which masks dramatic movements in the actual base rate during the year. The average margin between base rate and retail deposit rate was slightly narrower for the year, but was considerably wider in the last six months. Against this background of sharp changes in interest rates the underlying sluggishness in the economy was reflected for the Group in a growth of average sterling deposits by 9 per cent. and of average sterling advances by only 6 per cent. over the year.

Total costs rose by about 12 per cent. compared with 17 per cent. in the previous year, reflecting not only the lower inflation rate but also the determined efforts by the Group's two member banks to contain costs in every way and their adherence to the policy of income restraint.

Royal Bank of Scotland Group: The operating profit, excluding the share of associated companies, was £34,050,000 or 8 per cent. higher than the previous year. The economic recession, which was slower to affect Scotland than other parts of the United Kingdom, has had a more marked impact during the past year and bank lending has thus been somewhat depressed. No material improvement is anticipated for the immediate future. Competition for the provision of financial services in Scotland has continued to intensify.

Williams & Glyn's Bank Group: The operating profit, at £21,898,000 excluding the share of associated companies, shows an increase of 8 per cent. on the previous twelve months. The process of improving the branch network to meet customers' needs has been continued.

THE ECONOMY

There has been a remarkable change in the economic scene since this time last year as evidenced by a strong recovery in sterling, a balance of payments that has moved into surplus, interest rates dramatically reduced and the forecast inflation rate pointing steeply down towards single figures on an annual basis. Most of these trends have shown a marked and almost embarrassing acceleration since the end of July when sterling was allowed to move away from the dollar.

This striking turnaround is principally due to important changes of opinion in two areas. First, the overseas view of the United Kingdom economy started to change following the Government's undertakings to the IMF, from the obvious determination of the trade unions and employers to restrain incomes and finally from the growing evidence that the benefits to our economy from North Sea oil were starting to materialise and on a larger scale than many had anticipated.

Secondly, and associated with this greatly improved international rating, we have begun to revise our own opinion of ourselves and of our future. This is hard to measure but it is critically important nevertheless. The best evidence of this is the broad recognition by almost every household not only that continuing inflation at the rates we have experienced in the past few years is potentially erosive of all the standards upon which our lives have traditionally been based but also that it could ultimately lead only to destruction. Nevertheless, despite these most significant changes in what others think of us and what we think of ourselves, it is of the highest possible importance to understand that there are but few real signs yet of improvement in the key areas of our economy.

THE SCOTTISH ECONOMY

After a period in which the relative performance of the Scottish economy continued to benefit from oil activity the current position and the outlook are now again dominated by features common to the whole of the United Kingdom. Indeed there are now signs in Scotland that the market both for manufacturing industry and for the important construction sector is, if anything, weaker than for the United Kingdom in general and unemployment has continued to rise faster than the national average.

THE FUTURE

Thus although it is possible that some measure of success is within sight, to achieve it will mean much hard work and even then we shall only be on the early stages of the road to recovery. But even an orderly return to free collective bargaining and adherence thereby to the policy of voluntary restraint would not of itself bring about the improvements in productivity per head and in industrial production which are so critical to our future prosperity. The outcome will not emerge quickly nor can it be forecast easily over the short term. It is essential to continue the process of informing and educating people about the changing society and world in which we live, but apparently simple solutions to our problems or generalisations regarding our situation are mostly superficial and often misleading.

15th November 1977.

Salient Figures

	1977	1976
Group profit before taxation and extraordinary items	£64,095,000	£57,720,000
Profit after taxation but before extraordinary items	£30,162,000	£27,884,000
Earnings per 25p ordinary share	13.4p	12.4p
Dividend per 25p ordinary share	2.6329p	2.3573p
Deposits and customers' current accounts (including notes in circulation)	£3,455,933,000	£3,306,633,000
Total assets	£3,882,571,000	£3,677,529,000

Copies of the Directors' Report and Accounts containing the Chairman's full Statement may be obtained from The Secretary, National and Commercial Banking Group Limited, 36 St. Andrew Square, Edinburgh EH2 2YB.

FINANCIAL

Stock markets

Gilts down

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

10-year gilt down 1/2 to 11 1/2

FINANCIAL NEWS AND MARKET REPORTS

Stock markets

Gilts dominate with early gains

With equity bargains marked at their lowest level of the year—just 3.572—the day belonged to gilts.

Continued enthusiasm over the November trade figures and an encouraging Bank of England bulletin sparked some early demand at the long-end where most stocks quickly went half a point better. But the interest was not sustained and even money supply figures indicating a slowing down of growth made little impact on the market. The day's trading was close to the previous day's, with the FT index just 1.3 off at 472.1 after touching a low of 463.7.

Though a little above the worst of the close equities were still a little under their overnight levels with the FT index just 1.3 off at 472.1 after touching a low of 463.7.

Dealers said the background economic news, though helping to sustain the tone, made little positive impact on a market becoming more and more influenced by festive activities.

Shipping shares in general and P & O in particular took a knock after Lord Maclean's gloom remarks on trade in the group's own newsletter. The key question now is the extent to which the market's profits forecast of £40m against £44m should be downgraded. Some were talking yesterday of £35m, or less, and the shares were marked down 4p to 110p.

In spite of the general lethargy many of the leading industrialists managed gains of a few pence. Typical were Bechem 5p to 67½p, Unilever 4p to 550p, Floups 3p to 37½p and ICI 2p to 365p. An early fall. Once again results brought some activity to the shares sector where figures a little below expectations lowered Distillers 1p to 470p but Vaux jumped 1½p to 365p on profits and a share split. Another pleasing with a statement was Greenall Whitley, up 4p to 97p while renewed speculative interest in Maclean Glenlivet boosted the shares

15p to 285p. Over in buildings results had Marley a penny better at 77p and brought a sympathetic and similar rise to Redland at 144p. Timber group M. L. Meyer continued to proceed on Wednesday's figures adding another 3p to 75p and G. Dew rose another 2p to 156p on fresh speculative support.

In food uninspiring figures from Unigate left the shares unmoved at 50½p and Tate & Lyle encountered light selling after the banning of Wednesday night's television programme. Both Lucas 2p to 36p and Smiths Industries 2p to 154p recovered some of their recent losses in the motor sector.

The gloom from P & O affected other major shipping groups, notably Ocean, which

lost 2p to 131p, and British & Commonwealth, lower by 3p to 277p. The speculative Hamming Gibson shed 10p to 230p.

In the engineering sector, Brakhaire recouped some of the previous day's heavy loss with a rise of 8p to 140p as production was closed while Associated Engineering responded to a profits statement with a rise of just a penny to 117p.

With Christmas shopping now in full swing stores made a head-on attempt to gain ground with Marks & Spencer 2p to 155p and British Home Stores a 2p to 215p. Comment helped Debenhams to rise a penny to 95p. Equity turnover on December

14 was £69.10m (11,107 bargains). Active stocks yesterday, according to Exchange Telegraph, were JCI, BF, Shell.

Merchant and confirming house George Wills has attracted support this week rising 5p to 48p against the trend. Vague talk of takeover interest is accompanied by the hope that the next set of full-year figures will confirm the group's recovery. It is thought any approach should be stoutly resisted.

BAT Dtd, GEC, Beecham, Marks & Spencer, P & O, EMI, Waud Metropolitan, Gas "A", Rank Commercial Union, Royco, Wilkinson Match, G. Dew, Tube Investments and Vaux.

Latest results

Company	Sales	Profit	Earnings	Div	Pay	Year's
Int or Fin	£m	£m	per share	pence	date	total
Auro & Gen (I)	1.1 (1.5)	0.24 (0.13)	—	—	—	—
Ass Engineer (F)	286.5 (252.3)	32.4 (20.9)	19.4 (13.0)	3.42 (2.92)	13/2	4.69 (4.0)
Beecham (I)	3.6 (3.7)	0.13 (0.19)	—	0.5 (0.5)	7/2	— (1.8)
John Borth (I)	2.9 (2.6)	0.06 (0.13)	—	— (1.7)	—	— (1.7)
Bridgewater (F)	—	0.04 (0.02)	0.04 (0.39)	—	—	— (0.31)
N. Brown (I)	7.7 (7.1)	0.31 (0.34)	—	0.62 (0.82)	16/2	—
Burco Dean (F)	24.3 (17.8)	1.0 (0.52)	10.26 (9.21)	2.21 (1.99)	21/2	3.7 (3.3)
Marshall Grp (F)	—	57.3 (4.1)	2.17 (2.17)	2.17 (2.17)	24/2	3.35 (3.3)
Comt & Ind (I)	—	—	2.5 (2.5)	2.5 (2.5)	24/2	— (6.5)
Distillers (I)	400.8 (376.1)	74.3 (53.2)	13.1 (8.3)	1.29 (1.18)	28/2	2.1 (1.9)
Dobson Park (F)	98.2 (80.7)	11.1 (9.0)	—	—	—	— (1.19)
Morgan Group (I)	1.07 (1.2)	0.02 (0.08)	—	—	—	— (1.19)
George East	8.2 (6.6)	0.02 (0.08)	—	—	—	— (1.19)
Goldcliff (F)	4.4 (3.5)	0.19 (0.16)	—	0.89 (0.80)	4/2	—
Luis Gordon (I)	2.2 (3.3)	0.16 (0.13)	—	—	—	— (1.19)
Haywood Wms (I)	8.6 (7.2)	0.18 (0.08)	—	—	—	— (1.19)
John Kenneth (I)	—	0.08 (0.001)	14.49 (0.01)	0.66 (0.65)	30/1	— (2.2)
Kellack (I)	26.1 (20.8)	3.5 (1.5)	0.97 (0.65)	0.97 (0.65)	9/3	2.4 (2.2)
Marley (F)	218.6 (202.9)	15.3 (17.6)	12.0 (11.8)	1.49 (1.2)	—	— (1.19)
Moorgate M (I)	1.7 (4.36)	0.10 (0.12)	—	—	—	— (1.19)
Morgan Group (I)	1.07 (1.2)	0.02 (0.08)	—	—	—	— (1.19)
Pleasurama (F)	7.0 (5.8)	1.5 (0.96)	10.3 (6.6)	1.2 (1.14)	—	2.0 (1.8)
Ports & Sump (I)	—	0.04 (0.01)	—	—	—	— (1.19)
Refined W (I)	1.61 (1.25)	0.04 (0.01)	—	—	—	— (1.19)
Redman Heenan (I)	2.1 (2.0)	0.22 (0.10)	—	—	—	— (1.19)
Trustee Corp (I)	—	1.23 (0.97)	—	—	—	— (1.19)
Unigate (I)	35.0 (35.0)	10.1 (1.4)	2.9 (2.45)	1.51 (1.3)	3/4	3.0 (2.7)
Weston Securities (F)	12.1 (8.0)	2.7 (1.8)	27.0 (12.19)	2.7 (1.8)	13/2	22.7 (14.0)
Vaux Brew (F)	93.8 (56.5)	8.2 (4.4)	55.3 (30.2)	11.5 (10.12)	13/2	— (8.2)
Weston Securities (F)	12.1 (8.0)	2.7 (1.8)	27.0 (12.19)	2.7 (1.8)	13/2	— (8.2)
Weston Securities (F)	12.1 (8.0)	2.7 (1.8)	27.0 (12.19)	2.7 (1.8)	13/2	— (8.2)
Weston Securities (F)	12.1 (8.0)	2.7 (1.8)	27.0 (12.19)	2.7 (1.8)	13/2	— (8.2)

Dividends in this table are shown on a gross basis. To establish gross multiply the net dividend by 1.15. Profits are shown on a pre-tax and earnings are net: a for 17 months, b for 18 months.

Gordon suffers from early stockpiling

By Michael Clark

In following its usual pattern of business at this time of year, Gordon, the Dorset sherry producer, made a trading success in 1977, making a profit of £160,000 for the half to June 30 compared with one of £133,000 for the same period last year. Turnover also fell from £3.3m to £2.2m.

The first six months of the year usually accounts for about one-third of the group's business and consequently there is always a substantial element of the first half of the year. The situation this year however has been made worse by the Chancellor's decision to increase the duties on wines and spirits from January 1, 1977, instead of waiting until the usual date sometime in the spring. As a result of the early warning on the increase, which was given to the trade, all the group's customers wasted no time in rebuilding their stocks at the end of the year. This, coupled with the absence of any stimulus to sales from the spring Budget and the downturn in the retailing busi-

ness throughout the United Kingdom, led to a reduction in sales.

To add to the gloom, the high interest rates of last year did not come down quickly enough to prevent an increase in interest charges for the first six months of this year.

On the brighter side, sales have now improved and although the board feels it would be premature to predict the eventual outcome for the full year, the group will also benefit from the measures that have been made to reduce fixed costs as well as from the significantly lower rates of interest which have prevailed in the second half. The directors are therefore hopeful that it will be possible to report a more favourable picture when the results for the full year are to hand.

Last year the group turned in a pre-tax loss of £410,000 on turnover up by £216m to £3.5m.

In line with the rest of the market the group's shares remained unchanged yesterday at 21p.

Cheer from both Vaux and Greenall

By Ashley Druker

A drop of seasonal cheer comes from two independent brewery companies, Greenall Whitley, operating chiefly in the North-West and North Wales, and Vaux Breweries, in the North-East and Scotland, which broadly similar annual profit growth of 17½ and 18 per cent respectively.

Greenall, on turnover up from £85.2m for 52 weeks to £107m for 53 weeks to end-September, turned in a pre-tax profit up from £454m to £536m. Earnings a share on the 25p ordinary rose from 8.3p to 9.95p and on the "A" from 1.66p to 1.99p. The dividend for the year is lifted from 3.58p gross to 3.95p and on the "A" from 0.72p to 0.78p.

Among factors affecting the second-half, a beer increase was delayed from April to July to allow customers the benefit of lower prices. Expansion of property repairs increased nearly 50 per cent to £3.29m, much of it an investment for future growth. Meanwhile current trade remains "encouraging".

Vaux stepped up its pre-tax profits from £4.42m for the 12 months to end-April, 1976, to £6.24m for the 17 months to October 31, making an annualised profit increase of some 18 per cent. It also announces a share split to divide the existing £1 shares in shares of 25p each.

News of the shares split, which will take the Vaux shares more marketable, lifted the existing ones some 9p to 36½p. Turnover for the longer period was £93.8m against £86.5m. Earnings a share were raised from 30.2p to 35.3p, while the total payout is lifted from 23.6p gross to 34.4p.

Generally, beer sales in the summer increased some 5 per cent over the same period, with sales in Scotland better.

Pit props to China a fillip to Dobson Park

By Michael Prest

Dobson Park Industries, the Nottingham-based engineering group, has raised its pre-tax profits by 23 per cent to £11.1m, a result which Mr C. F. Ward, chairman, said, excited the shareholders. Particularly good progress was made in exports and sales of overseas subsidiaries, which together accounted for about 25 per cent of the £48.1m sales. Net investment was £3.25m, and is likely to be £5m next year.

Mining machinery, which at £48.1m contributed nearly half of all sales and more than a third of profits, remain the backbone of the company's business. Dobson Park's important growth in this area through increased sales of pit props to China. It is also developing a new kind of adjustable pitprop in conjunction with the South African Chamber of Mines.

Engineering grew strongly, with about 80 per cent of alternative sales going directly or indirectly for export. The Kangoo division, which makes

power tools such as electric hammers, raised its profits by 25 per cent to £6.9m. But greater competition in this sector means that next year reduced margins will have to be offset by higher volume.

The figures exclude deferred taxation for stock and the tax charge is therefore 20 per cent down at £3.4m. A stock increase of £5m was financed through retained earnings. Meanwhile, the company expects that its borrowings next year will run up a modest overdraft.

The weak link appears to be the Trench Concrete, a part of the industrial products division, which has been hard hit by the general decline in construction. But at the other end of the scale, the company's new copper wire, which the company earns its highest margins. The bulk of the sales are to the United States.

Earnings per 10p share are up 13.1p from 8.3p. Reserves are £6.41m, representing about 64.5p a share, much in line with the market price. The full dividend for the year is 2.13p against 1.91p last year.

VW looks to 10pc sales rise and dividend boost

Volkswagenwerk AG of West Germany says that sales this year would total DM24,000m (about £5,850m), up more than 10 per cent from DM21,400m in 1976.

The company said that earnings also would be higher, even though net profit would be lower than the DM1,000m reported last year because the 1976 net benefited from tax breaks on a carried-forward loss. The announcement repeated earlier company statements that the cash dividend for 1977 would be boosted from last year's DM5, but did not say by how much.

World deliveries were up by 8 per cent to 2.28 million passenger cars, domestic unit sales rose by 18 per cent to 853,000, and the company's German-based subsidiary, CIE Financière pour le Développement et le Commerce, said it had secured a contract for 100 Volkswagen Beetles for the German market.

The company said that conditions for car demand in Germany are not expected to get worse next year, but this year's record 2.5 million new car registrations is not likely to be repeated. VW said a drop-off of 10 per cent might be possible.

Italsider faces loss

The board of directors of Italsider, the Italian state-controlled ironwork group, says that the company will show a heavy loss this year. The board said the loss would be covered through funds drawn from reserves. A devaluation of the registered capital would not be required. Reliable sources estimated the loss would be about 400,000m lire (about £242.4m), almost double the registered capital.

Dunlop (Aust) refund

Dunlop Australia proposes, subject to approval by shareholders and the Supreme Court of Victoria, to return capital of 25 cents a share to holders of its 86.85m AS1 per ordinary shares and in full to holders of its 1.86 million AS1 per preference shares. The payments would be made in December 1978.

International

An interim dividend of 4 cents will be paid as normal in April, but a final dividend of 10 cents will be paid in December. Dunlop intends to consolidate and sub-divide each two existing shares into three 50 cent shares immediately after the capital return.

Rugby Portland deal

Société des Ciments Français, French cement group, announces that its wholly-owned unit Société Ciments Français International has sold a 50 per cent stake in its Luxembourg-based subsidiary, CIE Financière pour le Développement et le Commerce, to the French group. The company said that conditions for car demand in Germany are not expected to get worse next year, but this year's record 2.5 million new car registrations is not likely to be repeated. VW said a drop-off of 10 per cent might be possible.

Pioneer venture

Pioneer Electronic Corporation of Japan says that it plans to set up a joint-venture sales company with C. Melchers, CMH, in Bremen, West Germany in January. The venture is an effort to increase sales of Pioneer products in European countries. The new sales joint venture, Pioneer Melchers, GMH, will be capitalized at about 550m yen (about £11.5m), 60 per cent from C. Melchers, MBE, a West German trading concern, and the other 40 per cent from Pioneer's local subsidiary, Pioneer Electronic N.V. (Europe).

NBT sells stake

North Borneo Timbers BHD (NBT) says it has agreed to sell 1.13 million ordinary shares and 1.62 million loan stocks to Shrikant Harper Graham BHD, Blyth, Green, Johnston and Company of the United Kingdom.

Improved margins help Wilkinson Match to healthy £7.2m

By Ray Maughan

An increase in margins has helped Wilkinson Match headed by Mr Denys Randolph with the bulk of its growth in the six months to end-September last.

While the group—taking in Swan Vesta matches and Wilkinson razor blades—has maintained a "steady turnover" with sales improving by a mere 6 per cent to £93.67m, pre-tax profits expanded by almost a fifth to £7.2m.

After the merger of what might be the first inspection, be two entirely different consumer products, Wilkinson looks to be on an unshakable growth path. But, with a 5p fall to 189p, the market is still expressing doubts.

Consumer products as a whole, the Wilkinson match board reports, showed an improved performance especially in the United Kingdom and Western Hemisphere, but profits overall were affected by seriously adverse trading conditions in Italy.

Writing instruments traded profitably in the important American market but the domestic scene encountered ongoing difficulties. The current year thus stands to enjoy a satisfactory upturn if these problems clear in good time.

One of Wilkinson's major profits contributors was the safety and protection division. This sector doubled its operating profit with a substantially improved performance in the United Kingdom home and export markets and also in Australia. The packaging companies



Mr Denys Randolph, chairman of Wilkinson Match

also turned in an improved profit contribution.

Elsewhere in the group, consumer products made £6.05m against £5.85m while on the safety and protection side the division contributed almost doubled profits to some £2.02m.

Fully diluted earnings are stated at 10.78p per share, which, if Wilkinson Match can hold on to margins and maximise the benefits of the predicted rise in consumer spending, might turn out at about 25p per share in the full year.

The prospective p/e of under 6 is partly explained by a yield of under 3 per cent.

Marley hit by strength of sterling

By Alison Mitchell

Stepped-up borrowings and exchange losses have bitten into Marley's profits, but the building materials concern Marley.

The group converts the profits of overseas interests into sterling at the end of its accounting year and Mr John Pollard, finance director, points out that the pound was at one of its year's high points on that date. As such Marley has suffered from an exchange loss of £1.1m, a profit of £400,000 the previous year.

The deficit on converting the overseas assets and liabilities into sterling amounted to £3.1m, compared with a surplus of £3.1m last year. Marley has also been affected by the building industry recession and the wet weather of the spring which left many sites

waterlogged. And a first-half profits dip of 5 per cent grew to 12 per cent over the 12 months.

In the accounting period to October 31, the group turned in a pre-tax profit of £15.4m, against a previous £17.5m on turnover up from £203m to £219m.

The group is currently spending heavily in anticipation of the forecast upturn. In the past 12 months around £15m went on fixed assets, some £4m abroad and the balance in the United Kingdom—and a similar amount is scheduled for the current period.

Part of the cash has gone into Marley Transport, a subsidiary started up two years ago. Since then the group has built up a fleet of 400 vehicles to add to its existing internal stock of around 2,000.

Morgan-Grampian on course for £3.7m

By Our Financial Staff

Magazine publisher Morgan-Grampian is likely to make a pre-tax profit of around £3.7m for the current year to March 31 next.

This is the forecast from chairman Mr Graham Sherren in the formal offer document being sent to shareholders on behalf of Trafalgar House. The agreed £20.5m takeover bid from Trafalgar last month was dependent on Morgan making a pre-tax profit of not less than £3.5m for the current period compared with £2.73m last time.

In the first six months the magazine group hoisted profits from £331,000 to £1.6m pre-tax on sales up from £11.7m to £14.4m. Most of the upturn came in the United Kingdom where profits more than doubled from a previous £388,000 to £1.1m. In the United States both sales and profits dipped in the period.

New magazine development costs were also stepped up, from a previous £286,000 to £420,000. This is likely to be boosted further if Trafalgar gains control, as Mr Sherren has reported.

If the Trafalgar offer becomes unconditional five of the Morgan non-executive directors will resign without any compensation payment. They are Mr D. A. Abramson, Mr C. A. Chadwick-Healey, Mr M. M. Geffen, Mr M. E. A. Keeling and Mr S. M. Pegg. The chairman and remaining directors will remain as full-time executives.

The terms of the offer are 200p cash for ordinary shares and 70p cash for preference.

Warning on economy from bank chief

A warning that unemployment is going to get worse before it gets better comes from Sir James Blair-Cunynghame, chairman of the Bank of Scotland Commercial Banking Group.

Although recognition is growing that profitability is the only sure way of creating wealth and thus ultimately of raising real living standards in the shorter term, this will be tempered by growing numbers out of work.

Government measures to recover sterling being used to finance trade between third countries may have been justified last year, but Sir James tells shareholders in the annual report that measures requiring these transactions to be financed by a further currency have lost British traders and banks their long-standing competitive advantages.

National and Commercial takes in Williams & Glyn's Bank and the Royal Bank of Scotland. Last year the sterling values of average foreign currency deposits and advances at Williams & Glyn's fell by about 15 per cent and 9 per cent respectively.

intention to return to the dividend list when the full year's results are available.

The balance sheet for the half year shows loans and overdrafts of £324,000 to £11.1m reduction last year.

Pleasurama finishes 55pc up on year

Pleasurama, the entertainment and amusement group, reports a leap in pre-tax profits from 1966,000 to £1.5m for the year to September 30. The group's 25 per cent interest in Mayfair Casinos, the owner of the Casanova Club, Grosvenor Street, continues to be treated as a trade investment and its profit has therefore not been consolidated. The only change in the situation regarding the successful legal action started by Pleasurama against the majority shareholders in Mayfair Casinos is that the defendants have lodged a notice of appeal.

Tri-ang receiver to decide by Jan 6

The receiver for Tri-ang Pedigree has been named. He is Mr R. P. V. Rees, a partner in the Cardiff office of Debitors and Creditors, and shop stewards of the unions concerned at the factory yesterday to discuss the situation. It was agreed that as far as possible production would continue to Jan 6, by which time the receiver hopes to have assessed whether or not the business can continue at an appropriate level. He was given a firm assurance from the unions on full cooperation.

Redman Heenan still ploughing ahead

In spite of generally slack trading conditions in the mechanical and electrical industries, Redman Heenan International, the specialised engineering group, has continued to plough ahead with pre-tax profits for the year to September 30 increased from £2.0m to £2.5m. Turnover has expanded from £28m to £30.1m and earnings a share are 16.1p compared with 12.7p for the corresponding period. The total dividend is 2.7p gross against 2.5p last year. The board views the future with confidence.

Ransome Hoffman ready for upturn

Ransome Hoffman Pollard has based its plans for the future on the basis that there will be little improvement in market conditions. Sir William Barclay, who has the chair to Mr John Eccles this year, and both are agreed that indicating the group's prospects for this year is difficult. The big question is whether the British economy or overseas situation will improve

financial director of Safeway Food Stores. He was previously financial director of Ryman.

Mr Charles Langford, technical director of Anglo-American Corporation, is the new managing director and chief executive of the gold merchant Anglo-American Corporation. Mr David White is now secretary of these companies and Mr E. J. Farrell, deputy managing director of Britannia Financial Services and Britannia Trust Management, has become managing director of them.

Mr P. V. Clarke is made a joint managing director of Amit and Wherry Group with Mr C. F. Sprang, who was formerly deputy managing director. Mr J. McLellan, chairman, has given up his post as managing director. Mr G. S. Gutterman has resigned from the board.

Professor R. J. Ball will join the board of Legal and General Assurance on January 1. Mr T. Lloyd Robinson becomes vice-chairman.

Mr D. W. Hills, a director of Turner & Newall and chief executive of its construction materials division, is to succeed Mr F. E. Mills as chief executive of TBA Industrial Products and British Industrial Plastics, from January 1. Mr Mills will remain an executive director. Mr Hills is succeeded as chief executive of the T & N construction materials division and as chairman of TAC construction materials and Newalls Insulation, by Mr R. D. N. Somerville from April 1.

Mr Robin Peat has joined the board of Securcor.

Mr R. E. England and Dr J. Roke have been made joint managing directors of Vickers Offshore Engineering Group. Sir Leonard Redshaw will give up his post as non-executive chairman on December 31.

Mr Kevin Ney has been made

Ladbroke urges its bid for Leisure & Gen

The latest circular from Ladbroke Group in support of its £6.2m bid for Leisure & General Holdings emphasises that the Leisure board has not supported its rejection of the bid with a profit forecast for the current year. Despite this, need for funds to finance the future capital expenditure, and the current borrowings, the Leisure board has urged shareholders to support the bid which will reduce the cover from 3.3 to 1.7 on an historic basis—

2015年11月

ADN

[illegible]

PITUITARY

1-10-11

DOLLAR STORES
TOWNS AND DISCO

BEVERLY H. AND DI

100-443887-100





Stock Exchange Prices

Tone holds steady

ACCOUNT DAYS: Dealings Began, Dec 12. Dealings End, Dec 30. Contango Day, Jan 3. Settlement Day, Jan 11

Forward bargains are per unit on two previous days

RETIREMENT FUNDS			COMMERCIAL AND INDUSTRIAL			FINANCIAL TRUSTS			INSURANCE			INVESTMENT TRUSTS			PROPERTY			RUBBER			TEA			MISCELLANEOUS			THE TIMES SHARE INDICES		
Symbol	Price	Change	Symbol	Price	Change	Symbol	Price	Change	Symbol	Price	Change	Symbol	Price	Change	Symbol	Price	Change	Symbol	Price	Change	Symbol	Price	Change	Symbol	Price	Change	Symbol	Price	Change
1000000	100.00	0.00	1000000	100.00	0.00	1000000	100.00	0.00	1000000	100.00	0.00	1000000	100.00	0.00	1000000	100.00	0.00	1000000	100.00	0.00	1000000	100.00	0.00	1000000	100.00	0.00	1000000	100.00	0.00

SPORT

Cricket

Haroon and Mudassar show new team can stand on their own feet

From John Woodcock
Cricket Correspondent
Lahore, Dec 15

The mindlessness of a small section of the crowd marred the second day of play in the first Test match between England and Pakistan here at the Gaddafi Stadium. Pakistan were 293 for three or, more importantly, Mudassar Nazar was 93 not out when the trouble came. In over 25 minutes' play, as well as much embarrassment and irritation to all those who had come to watch the cricket rather than a minority making a nuisance of themselves. At close of play Pakistan, in their first innings, were 360 for five.

I have lost count of the number of riots and minor riots I have known to stop cricket in Pakistan. As often as not they are prompted by the police, never at the best of times held in high regard, laying into spectators, who have encroached on the field, with their lathis. They pick out one or two smaller than themselves and in trying to make an example of them they succeed only in making matters worse. Occasionally there is deeper, political cause of discontent, such as when the ground was invaded at Karachi in 1969, leading to the abandonment of the last Test match of Colin Cowdrey's tour but that was not so, I think, today. This was a case of jubilation running sour.

Mudassar was on the point of reaching the slowest hundred in the history of Test cricket (an unbroken record held previously by D. J. McGlew, playing for South Africa against Australia at Durban, with 9 hr 5 min) when he scored a single and then took him from 93 to 99. Those who reckoned there was a second run there, or whose mathematical powers are all they might be, jumped the barriers to congratulate him on his hundred, and in no time there was chaos, with the players running for cover, bricks, stones and chairs being thrown



Mudassar (left) and Miandad, who added a hundred in a fourth wicket partnership.

about, and the police in pettified retreat. Not until their military counterparts appeared 20 minutes later was order restored.

Although the pitch had a thousand pairs of feet across it, and to their credit, raised no objection to a resumption as soon as the ground was cleared, and Brearley, accompanied by Ken Barrington, the England manager, had had a quick look to see that no damage had been done where it most mattered. When, late and a quarter playing hours after the match had begun, Mudassar reached his hundred with a desperately scamped single off Miller, the less inhibited, or more uncontrolled, element among the crowd of 15,000 were back again, this time without a policeman in sight. They, as the captain, had been dismissed from the ground, so that everyone who wanted to embrace his perspiring hero was allowed to do so.

There is really nothing to say about Mudassar other than that he is a young man of infinite patience and little power, and that he has a resolute defence. What his innings will have helped to do, together with Haroon's 122 and Ziaur Rahman's 100, is to show Pakistan's new team that they can stand on their own feet, without Majid, Mushaq, Asif, Imran and Ziaur. Pakistan's new team, in this country anyway, if they present total, though, is to form the basis of a Pakistan victory, and England will need, on this mercilessly good pitch, to bat depressingly badly or to have a stroke of good luck. With Greig and the rest of them in Australia, and two useful leg spinners in the Pakistan side, it could happen of course, but it will be disappointing if it does.

So heavy was the dew this morning that for a quarter of an hour there was a struggle to get the ball to be dried when it came back. Brearley, even so, took the new ball after three overs, in no time there was chaos, with the players running for cover, bricks, stones and chairs being thrown

Packer and tradition are put to the test 3,000 miles apart

Sydney, Dec 15.—Kerry Packer's second series starts here tomorrow with both sides in the extent of public support important for his future. The match between the Australian and the Indian XI needs to draw considerably larger crowds than attended the opening clash two weeks ago. The Packer series is seriously to challenge traditional Test cricket.

For the opening match in Melbourne only 13,000 people attended during the three days that the West Indians to win by three wickets. At the same time Australia drew nearly 30,000 people over five days for their first Test match against India.

Australia's rival cricketers renew their battle for support tomorrow in cities 3,000 miles apart, with the official team playing India in the second Test in Perth. Both matches could decide the loyalty and support of Australian cricket supporters for the rest of the two seasons.

If Packer's Australians lose the second of their three matches against the West Indians, some supporters could lose interest because the series will have been decided. The Australians also play three other matches against a World XI late in January in a series originally planned to test the strength of Australian cricket, which at the time was at the top of the world.

India also need to win their second Test after losing the first Test by 15 runs. If Australia win again supporters could decide that the opposition are no match for the home side and stay away from the last three Tests.

Packer officials were confident that tomorrow's match would draw larger crowds because they will be played in the centre of the city at the Sydney Showground.

TCCB set target of 17 overs an hour in Tests

Fines for slow bowling may be in operation in Test matches in England for the first time next summer. The Test and County Cricket Board recommend a target of 17 overs an hour and are to discuss with the visiting countries, Pakistan and New Zealand, to introduce a timing system which would apply to both sides of the rate falls below that figure.

England's rate against Australia last season was 14.50, a slight rise on the 14.40 of the previous year. At the same time, the Board have reduced the required minimum rate in championship matches from 12.5 to 19 before fines become applicable.

After that, the fines will be £500 for 15.5, £500 for 16.5, £1,000 for 17.5, £1,500 for 18.5, £2,000 for 19.5, £2,500 for 20.5, £3,000 for 21.5, £3,500 for 22.5, £4,000 for 23.5, £4,500 for 24.5, £5,000 for 25.5, £5,500 for 26.5, £6,000 for 27.5, £6,500 for 28.5, £7,000 for 29.5, £7,500 for 30.5, £8,000 for 31.5, £8,500 for 32.5, £9,000 for 33.5, £9,500 for 34.5, £10,000 for 35.5, £10,500 for 36.5, £11,000 for 37.5, £11,500 for 38.5, £12,000 for 39.5, £12,500 for 40.5, £13,000 for 41.5, £13,500 for 42.5, £14,000 for 43.5, £14,500 for 44.5, £15,000 for 45.5, £15,500 for 46.5, £16,000 for 47.5, £16,500 for 48.5, £17,000 for 49.5, £17,500 for 50.5, £18,000 for 51.5, £18,500 for 52.5, £19,000 for 53.5, £19,500 for 54.5, £20,000 for 55.5, £20,500 for 56.5, £21,000 for 57.5, £21,500 for 58.5, £22,000 for 59.5, £22,500 for 60.5, £23,000 for 61.5, £23,500 for 62.5, £24,000 for 63.5, £24,500 for 64.5, £25,000 for 65.5, £25,500 for 66.5, £26,000 for 67.5, £26,500 for 68.5, £27,000 for 69.5, £27,500 for 70.5, £28,000 for 71.5, £28,500 for 72.5, £29,000 for 73.5, £29,500 for 74.5, £30,000 for 75.5, £30,500 for 76.5, £31,000 for 77.5, £31,500 for 78.5, £32,000 for 79.5, £32,500 for 80.5, £33,000 for 81.5, £33,500 for 82.5, £34,000 for 83.5, £34,500 for 84.5, £35,000 for 85.5, £35,500 for 86.5, £36,000 for 87.5, £36,500 for 88.5, £37,000 for 89.5, £37,500 for 90.5, £38,000 for 91.5, £38,500 for 92.5, £39,000 for 93.5, £39,500 for 94.5, £40,000 for 95.5, £40,500 for 96.5, £41,000 for 97.5, £41,500 for 98.5, £42,000 for 99.5, £42,500 for 100.5, £43,000 for 101.5, £43,500 for 102.5, £44,000 for 103.5, £44,500 for 104.5, £45,000 for 105.5, £45,500 for 106.5, £46,000 for 107.5, £46,500 for 108.5, £47,000 for 109.5, £47,500 for 110.5, £48,000 for 111.5, £48,500 for 112.5, £49,000 for 113.5, £49,500 for 114.5, £50,000 for 115.5, £50,500 for 116.5, £51,000 for 117.5, £51,500 for 118.5, £52,000 for 119.5, £52,500 for 120.5, £53,000 for 121.5, £53,500 for 122.5, £54,000 for 123.5, £54,500 for 124.5, £55,000 for 125.5, £55,500 for 126.5, £56,000 for 127.5, £56,500 for 128.5, £57,000 for 129.5, £57,500 for 130.5, £58,000 for 131.5, £58,500 for 132.5, £59,000 for 133.5, £59,500 for 134.5, £60,000 for 135.5, £60,500 for 136.5, £61,000 for 137.5, £61,500 for 138.5, £62,000 for 139.5, £62,500 for 140.5, £63,000 for 141.5, £63,500 for 142.5, £64,000 for 143.5, £64,500 for 144.5, £65,000 for 145.5, £65,500 for 146.5, £66,000 for 147.5, £66,500 for 148.5, £67,000 for 149.5, £67,500 for 150.5, £68,000 for 151.5, £68,500 for 152.5, £69,000 for 153.5, £69,500 for 154.5, £70,000 for 155.5, £70,500 for 156.5, £71,000 for 157.5, £71,500 for 158.5, £72,000 for 159.5, £72,500 for 160.5, £73,000 for 161.5, £73,500 for 162.5, £74,000 for 163.5, £74,500 for 164.5, £75,000 for 165.5, £75,500 for 166.5, £76,000 for 167.5, £76,500 for 168.5, £77,000 for 169.5, £77,500 for 170.5, £78,000 for 171.5, £78,500 for 172.5, £79,000 for 173.5, £79,500 for 174.5, £80,000 for 175.5, £80,500 for 176.5, £81,000 for 177.5, £81,500 for 178.5, £82,000 for 179.5, £82,500 for 180.5, £83,000 for 181.5, £83,500 for 182.5, £84,000 for 183.5, £84,500 for 184.5, £85,000 for 185.5, £85,500 for 186.5, £86,000 for 187.5, £86,500 for 188.5, £87,000 for 189.5, £87,500 for 190.5, £88,000 for 191.5, £88,500 for 192.5, £89,000 for 193.5, £89,500 for 194.5, £90,000 for 195.5, £90,500 for 196.5, £91,000 for 197.5, £91,500 for 198.5, £92,000 for 199.5, £92,500 for 200.5, £93,000 for 201.5, £93,500 for 202.5, £94,000 for 203.5, £94,500 for 204.5, £95,000 for 205.5, £95,500 for 206.5, £96,000 for 207.5, £96,500 for 208.5, £97,000 for 209.5, £97,500 for 210.5, £98,000 for 211.5, £98,500 for 212.5, £99,000 for 213.5, £99,500 for 214.5, £100,000 for 215.5, £100,500 for 216.5, £101,000 for 217.5, £101,500 for 218.5, £102,000 for 219.5, £102,500 for 220.5, £103,000 for 221.5, £103,500 for 222.5, £104,000 for 223.5, £104,500 for 224.5, £105,000 for 225.5, £105,500 for 226.5, £106,000 for 227.5, £106,500 for 228.5, £107,000 for 229.5, £107,500 for 230.5, £108,000 for 231.5, £108,500 for 232.5, £109,000 for 233.5, £109,500 for 234.5, £110,000 for 235.5, £110,500 for 236.5, £111,000 for 237.5, £111,500 for 238.5, £112,000 for 239.5, £112,500 for 240.5, £113,000 for 241.5, £113,500 for 242.5, £114,000 for 243.5, £114,500 for 244.5, £115,000 for 245.5, £115,500 for 246.5, £116,000 for 247.5, £116,500 for 248.5, £117,000 for 249.5, £117,500 for 250.5, £118,000 for 251.5, £118,500 for 252.5, £119,000 for 253.5, £119,500 for 254.5, £120,000 for 255.5, £120,500 for 256.5, £121,000 for 257.5, £121,500 for 258.5, £122,000 for 259.5, £122,500 for 260.5, £123,000 for 261.5, £123,500 for 262.5, £124,000 for 263.5, £124,500 for 264.5, £125,000 for 265.5, £125,500 for 266.5, £126,000 for 267.5, £126,500 for 268.5, £127,000 for 269.5, £127,500 for 270.5, £128,000 for 271.5, £128,500 for 272.5, £129,000 for 273.5, £129,500 for 274.5, £130,000 for 275.5, £130,500 for 276.5, £131,000 for 277.5, £131,500 for 278.5, £132,000 for 279.5, £132,500 for 280.5, £133,000 for 281.5, £133,500 for 282.5, £134,000 for 283.5, £134,500 for 284.5, £135,000 for 285.5, £135,500 for 286.5, £136,000 for 287.5, £136,500 for 288.5, £137,000 for 289.5, £137,500 for 290.5, £138,000 for 291.5, £138,500 for 292.5, £139,000 for 293.5, £139,500 for 294.5, £140,000 for 295.5, £140,500 for 296.5, £141,000 for 297.5, £141,500 for 298.5, £142,000 for 299.5, £142,500 for 300.5, £143,000 for 301.5, £143,500 for 302.5, £144,000 for 303.5, £144,500 for 304.5, £145,000 for 305.5, £145,500 for 306.5, £146,000 for 307.5, £146,500 for 308.5, £147,000 for 309.5, £147,500 for 310.5, £148,000 for 311.5, £148,500 for 312.5, £149,000 for 313.5, £149,500 for 314.5, £150,000 for 315.5, £150,500 for 316.5, £151,000 for 317.5, £151,500 for 318.5, £152,000 for 319.5, £152,500 for 320.5, £153,000 for 321.5, £153,500 for 322.5, £154,000 for 323.5, £154,500 for 324.5, £155,000 for 325.5, £155,500 for 326.5, £156,000 for 327.5, £156,500 for 328.5, £157,000 for 329.5, £157,500 for 330.5, £158,000 for 331.5, £158,500 for 332.5, £159,000 for 333.5, £159,500 for 334.5, £160,000 for 335.5, £160,500 for 336.5, £161,000 for 337.5, £161,500 for 338.5, £162,000 for 339.5, £162,500 for 340.5, £163,000 for 341.5, £163,500 for 342.5, £164,000 for 343.5, £164,500 for 344.5, £165,000 for 345.5, £165,500 for 346.5, £166,000 for 347.5, £166,500 for 348.5, £167,000 for 349.5, £167,500 for 350.5, £168,000 for 351.5, £168,500 for 352.5, £169,000 for 353.5, £169,500 for 354.5, £170,000 for 355.5, £170,500 for 356.5, £171,000 for 357.5, £171,500 for 358.5, £172,000 for 359.5, £172,500 for 360.5, £173,000 for 361.5, £173,500 for 362.5, £174,000 for 363.5, £174,500 for 364.5, £175,000 for 365.5, £175,500 for 366.5, £176,000 for 367.5, £176,500 for 368.5, £177,000 for 369.5, £177,500 for 370.5, £178,000 for 371.5, £178,500 for 372.5, £179,000 for 373.5, £179,500 for 374.5, £180,000 for 375.5, £180,500 for 376.5, £181,000 for 377.5, £181,500 for 378.5, £182,000 for 379.5, £182,500 for 380.5, £183,000 for 381.5, £183,500 for 382.5, £184,000 for 383.5, £184,500 for 384.5, £185,000 for 385.5, £185,500 for 386.5, £186,000 for 387.5, £186,500 for 388.5, £187,000 for 389.5, £187,500 for 390.5, £188,000 for 391.5, £188,500 for 392.5, £189,000 for 393.5, £189,500 for 394.5, £190,000 for 395.5, £190,500 for 396.5, £191,000 for 397.5, £191,500 for 398.5, £192,000 for 399.5, £192,500 for 400.5, £193,000 for 401.5, £193,500 for 402.5, £194,000 for 403.5, £194,500 for 404.5, £195,000 for 405.5, £195,500 for 406.5, £196,000 for 407.5, £196,500 for 408.5, £197,000 for 409.5, £197,500 for 410.5, £198,000 for 411.5, £198,500 for 412.5, £199,000 for 413.5, £199,500 for 414.5, £200,000 for 415.5, £200,500 for 416.5, £201,000 for 417.5, £201,500 for 418.5, £202,000 for 419.5, £202,500 for 420.5, £203,000 for 421.5, £203,500 for 422.5, £204,000 for 423.5, £204,500 for 424.5, £205,000 for 425.5, £205,500 for 426.5, £206,000 for 427.5, £206,500 for 428.5, £207,000 for 429.5, £207,500 for 430.5, £208,000 for 431.5, £208,500 for 432.5, £209,000 for 433.5, £209,500 for 434.5, £210,000 for 435.5, £210,500 for 436.5, £211,000 for 437.5, £211,500 for 438.5, £212,000 for 439.5, £212,500 for 440.5, £213,000 for 441.5, £213,500 for 442.5, £214,000 for 443.5, £214,500 for 444.5, £215,000 for 445.5, £215,500 for 446.5, £216,000 for 447.5, £216,500 for 448.5, £217,000 for 449.5, £217,500 for 450.5, £218,000 for 451.5, £218,500 for 452.5, £219,000 for 453.5, £219,500 for 454.5, £220,000 for 455.5, £220,500 for 456.5, £221,000 for 457.5, £221,500 for 458.5, £222,000 for 459.5, £222,500 for 460.5, £223,000 for 461.5, £223,500 for 462.5, £224,000 for 463.5, £224,500 for 464.5, £225,000 for 465.5, £225,500 for 466.5, £226,000 for 467.5, £226,500 for 468.5, £227,000 for 469.5, £227,500 for 470.5, £228,000 for 471.5, £228,500 for 472.5, £229,000 for 473.5, £229,500 for 474.5, £230,000 for 475.5, £230,500 for 476.5, £231,000 for 477.5, £231,500 for 478.5, £232,000 for 479.5, £232,500 for 480.5, £233,000 for 481.5, £233,500 for 482.5, £234,000 for 483.5, £234,500 for 484.5, £235,000 for 485.5, £235,500 for 486.5, £236,000 for 487.5, £236,500 for 488.5, £237,000 for 489.5, £237,500 for 490.5, £238,000 for 491.5, £238,500 for 492.5, £239,000 for 493.5, £239,500 for 494.5, £240,000 for 495.5, £240,500 for 496.5, £241,000 for 497.5, £241,500 for 498.5, £242,000 for 499.5, £242,500 for 500.5, £243,000 for 501.5, £243,500 for 502.5, £244,000 for 503.5, £244,500 for 504.5, £245,000 for 505.5, £245,500 for 506.5, £246,000 for 507.5, £246,500 for 508.5, £247,000 for 509.5, £247,500 for 510.5, £248,000 for 511.5, £248,500 for 512.5, £249,000 for 513.5, £249,500 for 514.5, £250,000 for 515.5, £250,500 for 516.5, £251,000 for 517.5, £251,500 for 518.5, £252,000 for 519.5, £252,500 for 520.5, £253,000 for 521.5, £253,500 for 522.5, £254,000 for 523.5, £254,500 for 524.5, £255,000 for 525.5, £255,500 for 526.5, £256,000 for 527.5, £256,500 for 528.5, £257,000 for 529.5, £257,500 for 530.5, £258,000 for 531.5, £258,500 for 532.5, £259,000 for 533.5, £259,500 for 534.5, £260,000 for 535.5, £260,500 for 536.5, £261,000 for 537.5, £261,500 for 538.5, £262,000 for 539.5, £262,500 for 540.5, £263,000 for 541.5, £263,500 for 542.5, £264,000 for 543.5, £264,500 for 544.5, £265,000 for 545.5, £265,500 for 546.5, £266,000 for 547.5, £266,500 for 548.5, £267,000 for 549.5, £267,500 for 550.5, £268,000 for 551.5, £268,500 for 552.5, £269,000 for 553.5, £269,500 for 554.5, £270,000 for 555.5, £270,500 for 556.5, £271,000 for 557.5, £271,500 for 558.5, £272,000 for 559.5, £272,500 for 560.5, £273,000 for 561.5, £273,500 for 562.5, £274,000 for 563.5, £274,500 for 564.5, £275,000 for 565.5, £275,500 for 566.5, £276,000 for 567.5, £276,500 for 568.5, £277,000 for 569.5, £277,500 for 570.5, £278,000 for 571.5, £278,500 for 572.5, £279,000 for 573.5, £279,500 for 574.5, £280,000 for 575.5, £280,500 for 576.5, £281,000 for 577.5, £281,500 for 578.5, £282,000 for 579.5, £282,500 for 580.5, £283,000 for 581.5, £283,500 for 582.5, £284,000 for 583.5, £284,500 for 584.5, £285,000 for 585.5, £285,500 for 586.5, £286,000 for 587.5, £286,500 for 588.5, £287,000 for 589.5, £287,500 for 590.5, £288,000 for 591.5, £288,500 for 592.5, £289,000 for 593.5, £289,500 for 594.5, £290,000 for 595.5, £290,500 for 596.5, £291,000 for 597.5, £291,500 for 598.5, £292,000 for 599.5, £292,500 for 600.5, £293,000 for 601.5, £293,500 for 602.5, £294,000 for 603.5, £294,500 for 604.5, £295,000 for 605.5, £295,500 for 606.5, £296,000 for 607.5, £296,500 for 608.5, £297,000 for 609.5, £297,500 for 610.5, £298,000 for 611.5, £298,500 for 612.5, £299,000 for 613.5, £299,500 for 614.5, £300,000 for 615.5, £300,500 for 616.5, £301,000 for 617.5, £301,500 for 618.5, £302,000 for 619.5, £302,500 for 620.5, £303,000 for 621.5, £303,500 for 622.5, £304,000 for 623.5, £304,500 for 624.5, £305,000 for 625.5, £305,500 for 626.5, £306,000 for 627.5, £306,500 for 628.5, £307,000 for 629.5, £307,500 for 630.5, £308,000 for 631.5, £308,500 for 632.5, £309,000 for 633.5, £309,500 for 634.5, £310,000 for 635.5, £310,500 for 636.5, £311,000 for 637.5, £311,500 for 638.5, £312,000 for 639.5, £312,500 for 640.5, £313,000 for 641.5, £313,500 for 642.5, £314,000 for 643.5, £314,500 for 644.5, £315,000 for 645.5, £315,500 for 646.5, £316,000 for 647.5, £316,500 for 648.5, £317,000 for 649.5, £317,500 for 650.5, £318,000 for 651.5, £318,500 for 652.5, £319,000 for 653.5, £319,500 for 654.5, £320,000 for 655.5, £320,500 for 656.5, £321,000 for 657.5, £321,500 for 658.5, £322,000 for 659.5, £322,500 for 660.5, £323,000 for 661.5, £323,500 for 662.5, £324,000 for 663.5, £324,500 for 664.5, £325,000 for 665.5, £325,500 for 666.5, £326,000 for 667.5, £326,500 for 668.5, £327,000 for 669.5, £327,500 for 670.5, £328,000 for 671.5, £328,500 for 672.5, £329,000 for 673.5, £329,500 for 674.5, £330,000 for 675.5, £330,500 for 676.5, £331,000 for 677.5, £331,500 for 678.5, £332,000 for 679.5, £332,500 for 680.5, £333,000 for 681.5, £333,500 for 682.5, £334,000 for 683.5, £334,500 for 684.5, £335,000 for 685.5, £335,500 for 686.5, £336,000 for 687.5, £336,500 for 688.5, £337,000 for 689.5

£6,000 plus appointments

Taxation Assistant

The Confederation of British Industry is looking for an Assistant in its Taxation Department.

The job involves work connected with all UK taxes and offers a very unusual opportunity to a young specialist to look at the UK tax system from the overall policy viewpoint as well as to give detailed consideration to existing and prospective tax legislation. There will also be scope for the successful candidate to acquire knowledge of the tax systems of other countries and to meet a wide variety of people with different interests in the subject of taxation.

Candidates should be newly qualified in accountancy or law (or possibly ATT) or have qualified within the last two years or so. Some practical tax experience is essential and an Economics degree would be an advantage. An ability to write and think clearly and creatively and to communicate at all levels is necessary.

Salary will be attractive and will depend on qualifications and experience.

Please write for application forms to
Jane Hopkinson, CBI, 21 Tothill Street, London,
SW1H 9LP. (Telephone: 01-930 6771).

Head of Systems Consultancy

An international garment manufacturer is setting up a group of internal consultants in productivity and computer-based systems, under the policy direction of a User Committee.

The successful applicant will recruit, train, motivate, and control these consultants, negotiate projects and chair the User Committee. He or she will report to a main board Director.

Applicants should have a broad knowledge of management services techniques and computers, and have a successful record in managing people and projects. The post will involve international travel and will be based in Romford. Remuneration is for discussion in five figures.

Write in complete confidence to:

Chairman,
PAGAN LTD.,
Paringdon Avenue, Harold Hill, Romford, Essex.

COMPANY NOTICES

BERNARD PHILLIPS
In the Matter of THE COMPANIES ACT, 1948 and in the Matter of the Companies (Winding-Up) Regulations, 1948. Notice is hereby given pursuant to Section 299 of the Companies Act, 1948, that a GENERAL MEETING of the MEMBERS of the above-named company will be held at the offices of B. PHILLIPS, 11, Gresham Street, London, E.C.2, on Thursday, the 12th day of January, 1978, at 10.15 a.m. for the purpose of receiving an account of the Liquidator's Acts and Deeds and of the conduct of the Winding-Up to date. Dated this 14th day of December, 1977. B. PHILLIPS, Liquidator.

THE BIRMINGHAM MINT LTD
Notice is hereby given that for the year ended 31st March, 1978, the accounts of the company have been prepared in accordance with the provisions of the Companies Act, 1948, and the Companies (Accounts) Regulations, 1968, and are available for inspection at the offices of the company, 23rd Floor, 100, Broad Street, Birmingham, B1 2HT, from 10.00 a.m. to 4.00 p.m. on any business day. Dated this 14th day of December, 1977. By Order of the Board, J. S. SLADE, Secretary.

MISCELLANEOUS FINANCIAL

SUFFOLK COUNTY COUNCIL
Notice is hereby given that the accounts of the council for the year ended 31st March, 1977, are available for inspection at the offices of the council, 100, Broad Street, Birmingham, B1 2HT, from 10.00 a.m. to 4.00 p.m. on any business day. Dated this 14th day of December, 1977. By Order of the Council, J. S. SLADE, Secretary.

LEGAL NOTICES

IN THE HIGH COURT OF JUSTICE
Chancery Division. Notice is hereby given pursuant to Section 299 of the Companies Act, 1948, that a GENERAL MEETING of the MEMBERS of the above-named company will be held at the offices of B. PHILLIPS, 11, Gresham Street, London, E.C.2, on Thursday, the 12th day of January, 1978, at 10.15 a.m. for the purpose of receiving an account of the Liquidator's Acts and Deeds and of the conduct of the Winding-Up to date. Dated this 14th day of December, 1977. B. PHILLIPS, Liquidator.

ERIC MORRIS, Solicitor of the High Court, 11, Gresham Street, London, E.C.2, is hereby given notice to appear on the hearing of any of the above-named company will be held at the offices of B. PHILLIPS, 11, Gresham Street, London, E.C.2, on Thursday, the 12th day of January, 1978, at 10.15 a.m. for the purpose of receiving an account of the Liquidator's Acts and Deeds and of the conduct of the Winding-Up to date. Dated this 14th day of December, 1977. B. PHILLIPS, Liquidator.

THE COMPANIES ACT, 1948
In the Matter of THE COMPANIES ACT, 1948 and in the Matter of the Companies (Winding-Up) Regulations, 1948. Notice is hereby given pursuant to Section 299 of the Companies Act, 1948, that a GENERAL MEETING of the MEMBERS of the above-named company will be held at the offices of B. PHILLIPS, 11, Gresham Street, London, E.C.2, on Thursday, the 12th day of January, 1978, at 10.15 a.m. for the purpose of receiving an account of the Liquidator's Acts and Deeds and of the conduct of the Winding-Up to date. Dated this 14th day of December, 1977. B. PHILLIPS, Liquidator.

THE COMPANIES ACT, 1948
In the Matter of THE COMPANIES ACT, 1948 and in the Matter of the Companies (Winding-Up) Regulations, 1948. Notice is hereby given pursuant to Section 299 of the Companies Act, 1948, that a GENERAL MEETING of the MEMBERS of the above-named company will be held at the offices of B. PHILLIPS, 11, Gresham Street, London, E.C.2, on Thursday, the 12th day of January, 1978, at 10.15 a.m. for the purpose of receiving an account of the Liquidator's Acts and Deeds and of the conduct of the Winding-Up to date. Dated this 14th day of December, 1977. B. PHILLIPS, Liquidator.

TOURIST ATTRACTIONS MANAGEMENT

The growth of the number of natural and man-made attractions across Canada has led to the development of a unique programme in Tourist Attractions Management.

Niagara College requires a person experienced in this field as a full-time teacher of courses in Attractions Planning, Financing and Promoting Attractions. Marketing in the Tourist Industry and other related business courses. Teaching experience preferred but not essential.

Niagara College is ideally located in the beautiful foothills of Southern Ontario. The College serves the popular tourist area of Niagara Falls. This area is a major centre of Canada's tourist industry and within easy reach of Niagara Falls, Toronto and Buffalo.

Salary range is \$13,000/annum-\$22,900/annum.

Applications with resume of qualifications and experience should be submitted to:

PERSONNEL OFFICER
NIAGARA COLLEGE OF APPLIED ARTS AND TECHNOLOGY
WOODLAWN ROAD, WELLS, ONTARIO L8B 5S2 CANADA

COSTS MANAGER

Marine and Commercial Solicitors in the City require a Costs Manager who is fully experienced in High Court taxation and general dealing. He or she will be expected to take full responsibility for the management of the Costs Department.

An excellent salary will be paid and luncheon vouchers will be given. Four weeks' holiday per annum.

Please write to: J. S. SLADE,
Constant & Constant,
9 St. Helens Place, London EC3A 6DD.

LEGAL NOTICES

IN THE MATTER OF THE COMPANIES ACT, 1948
In the Matter of THE COMPANIES ACT, 1948 and in the Matter of the Companies (Winding-Up) Regulations, 1948. Notice is hereby given pursuant to Section 299 of the Companies Act, 1948, that a GENERAL MEETING of the MEMBERS of the above-named company will be held at the offices of B. PHILLIPS, 11, Gresham Street, London, E.C.2, on Thursday, the 12th day of January, 1978, at 10.15 a.m. for the purpose of receiving an account of the Liquidator's Acts and Deeds and of the conduct of the Winding-Up to date. Dated this 14th day of December, 1977. B. PHILLIPS, Liquidator.

IN THE MATTER OF THE COMPANIES ACT, 1948
In the Matter of THE COMPANIES ACT, 1948 and in the Matter of the Companies (Winding-Up) Regulations, 1948. Notice is hereby given pursuant to Section 299 of the Companies Act, 1948, that a GENERAL MEETING of the MEMBERS of the above-named company will be held at the offices of B. PHILLIPS, 11, Gresham Street, London, E.C.2, on Thursday, the 12th day of January, 1978, at 10.15 a.m. for the purpose of receiving an account of the Liquidator's Acts and Deeds and of the conduct of the Winding-Up to date. Dated this 14th day of December, 1977. B. PHILLIPS, Liquidator.

IN THE MATTER OF THE COMPANIES ACT, 1948
In the Matter of THE COMPANIES ACT, 1948 and in the Matter of the Companies (Winding-Up) Regulations, 1948. Notice is hereby given pursuant to Section 299 of the Companies Act, 1948, that a GENERAL MEETING of the MEMBERS of the above-named company will be held at the offices of B. PHILLIPS, 11, Gresham Street, London, E.C.2, on Thursday, the 12th day of January, 1978, at 10.15 a.m. for the purpose of receiving an account of the Liquidator's Acts and Deeds and of the conduct of the Winding-Up to date. Dated this 14th day of December, 1977. B. PHILLIPS, Liquidator.

Every Friday

£6,000 plus

Appointments

For details

ring

01-278 9161

or

Manchester

061-834 1234

National Economic Development Office DIRECTOR GENERAL

A man or woman of proven administrative ability is sought for appointment as Director General of the National Economic Development Office.

NEDO is an independent Office acting under the general direction of, and responsible to, the National Economic Development Council, of which the Director General is a member. The person appointed will be responsible for some 240 staff, and concerned with the organisation of the tripartite Economic Development Committees and Sector Working Parties, whose task is to improve the performance of their sectors as part of the industrial strategy, and will be the link between them and NEDO. The Office also carries out research and policy analyses and publishes papers on a wide range of economic issues.

The post provides an opportunity for full involvement

in the national debate on economic issues, and applicants must be capable of dealing with such issues in public speeches, at conferences, and in briefing the media.

Applicants should have extensive experience of commerce and industry, whether in the public or private sectors, and either in management or in trade union activities.

The appointment is pensionable and will be for a period to be agreed, with a possibility of re-appointment. The salary is equivalent to that of a Permanent Secretary in the Civil Service.

Applicants should write in confidence to the Permanent Secretary, HM Treasury, Parliament Street, London SW1, giving details of experience and qualifications.



Principal Guildhall School of Music and Drama Salary to £12,658+

The Corporation of London wishes to appoint a new Principal for the Guildhall School of Music and Drama at its purpose-built home in the Barbican from 24th April 1978 or as soon thereafter as possible.

The person appointed will be a Head of Department responsible direct to the Music Committee for the running of the School.

We are looking for a man or woman not over 55 years of age, with appropriate qualifications and experience, and personal qualities will be of considerable importance in the role.

The salary range is from £10,930-£12,658, depending upon experience. In addition a Barbican flat is provided.

Application form and full details of the appointment may be obtained from the Town Clerk, P.O. Box 270, Guildhall, London EC2P 2EL. (01-606 3080 Ext. 2406) returnable by 16th January 1978.

City of Manchester Cultural Services Director: Art Galleries

Salary £8,431/£8,708 (Inclusive of Phase 1 and 2 supplements as appropriate).

Responsible for management of the City Art Gallery and five branch galleries, and for the City's art collections. The post is the senior of three (for art galleries, libraries and theatres respectively) corporately involved, under the leadership of the Director of Cultural Services, in the operation of the City's wide-ranging cultural services. Applicants should preferably have the Museum Diploma and/or appropriate museum and art historical experience and qualifications.

Further details from the Principal Assistant, Personnel, City of Manchester Cultural Services, Central Library, St. Peter's Square, Manchester M2 5PD (Telephone 061-236 9422, Ext. 261/262).

Applications, stating age, qualifications, experience and details of past and present appointments, present scale and salary, together with the names and addresses of two referees, should reach the above address by 17th January, 1978.

MARKETING OFFICER

is required by the Danish Embassy to undertake market research and promotional work. A likely candidate would be a business graduate, aged 30-35 years, with some marketing/sales experience in trade and industry. A fair knowledge of the Danish or Norwegian or Swedish languages is also required.

Candidates should send a full career history to:

THE ROYAL DANISH EMBASSY
Commercial Section
55 Sloane St, London SW1X 9SR

B.R.C. RADIO LIGHT ENTERTAINMENT

seek a

PRODUCER

who will be a member of a creative group and required to submit, develop and subsequently carry out in programme form original ideas with an emphasis on comedy in both traditional and experimental forms. Experience in the media is highly important but people with University radio experience will also be considered.

Salary: Central London £12,000 p.a. may be higher if qualifications exceptional. £12,000 to £16,000 p.a. plus continuing unconsolidated allowance £2,500 p.a.

Telephone or write immediately, enclosing addressed envelope, for application form quoting reference 77-10437, to: Appointments Department, B.R.C., London, W1A 1AA. Tel: 01-580 4488, Ext: 4010.

Durham County Council Chief Executive and Clerk

Applications are invited for this post which will become vacant in June, 1978.

The Chief Executive and Clerk is the leader of the Chief Officer's Management Team, the Principal Adviser on general policy to the Council and its Committees and he/she is responsible for central administrative services.

Each applicant must be professionally qualified and have had substantial administrative experience as senior officer in a major and progressive local authority.

Application forms and further particulars of the appointment from J. Procter, Chief Executive and Clerk, County Hall, Durham DH1 5UL. Closing date 16th January, 1978.

Head of Purchasing Vacancy

Institut Laue-Langevin, Grenoble, France

French-German-British research establishment with about 400 staff requires a Head of Purchasing and Stores (Annual purchases approx. 30m FF).

Applicants should have several years experience of commercial negotiating at a responsible level with firms in France and Germany as well as the U.K. A good working knowledge of French is essential.

Salary: between FF 80,000 and FF 100,000 a year plus expatriation, considerable settling in and varied allowances, pensions scheme, and refund of travel and removal costs.

For further information and application forms apply to Mrs D. V. Glead, Science Research Council, P.O. Box 48, Swindon SN1 5BW. Tel. Swindon 28222, Ext. 22.

Closing date for applications: 6 January 1978.

MIDDLE EAST APPOINTMENTS

United Arab Emirates MANAGER

Air Conditioning Contracting Division

Will have full responsibility to operate division, including staffing, detailing design, pricing, provisioning installation works and maintenance of large air conditioning projects—hospitals—hotels—towers, as well as small and medium sized installations.

Candidates must have previous success in a similar job. Overseas experience appreciated. Attractive conditions for right candidate.

Send c.v., photograph and expected salary to Mrs. Ronval (REC), Societe D'Assistance Et De Services, 15 bis, Rue de Marignan, 75008, Paris.

MALE SUPERVISOR

TECHNICAL INFORMATION CENTRE

Technolog Inc., an Engineering and Industrial Consultancy affiliated to the Industrial Development and Renovation Organisation of Iraq, is currently seeking to recruit a Supervisor for its technical information centre based in Teheran.

The preferred candidate will be in his early 30s, a graduate in engineering (preferably mechanical), experienced in technical/commercial information work and fluent in English. In addition to a good working knowledge of information research applicants should be competent to innovate systems that will expand the current information centre. An attractive salary is offered and all travel and removal expenses will be paid. A housing allowance is also provided. The initial contract will be for one year, renewable by mutual consent.

Please write, sending career details, to Mrs R. J. Gee, SRI International, NLA Tower, 12th Floor, 12-16 Addiscombe Road, Croydon, CR9 0XT.

Overseas Accountant/ Company Secretary

West London
circa £8,500 plus

This is a post in a major international Group of Companies in the construction industry with a turnover in excess of £100 million with an essential growth record and expanding operations.

The person appointed will report to the Main Board Director responsible for the Group's overseas activities and functionally to the Group Chief Accountant. The person, preferably in the age bracket 35-45 will be involved in controlling a small department at Head Office which consolidates and monitors management and financial accounts from overseas areas monthly, quarterly and annually.

He or she will report to management on all aspects of financial management including banking and taxation. Experience should include some or all of the functions mentioned, preferably in the construction industry. Candidates should be ACA, ACCA or ACMA and of equal importance to high technical ability is fluency in French. The post requires visits to overseas locations.

Please write with full C.V. to Position Number AKO 6477, Austin Knight Ltd., London W1A 1BS. Candidates in which you are not interested in should be stated in a covering letter to the Position Number Supervisor.

AK ADVERTISING

BANKING

The Bank of Credit and Commerce International, as part of a planned programme of expansion for 1978, is seeking experienced Bankers to manage and assist in the Management of Branches outside the London area.

Outstanding professional and personal qualities are required to meet the demand of these appointments and applicants must have extensive experience in U.K. banking. Salary and benefits will not be a limiting factor to those who meet our demanding requirements. Please write briefly or telephone for an application form, indicating your preferred area of work to:

Rodney J. Evans
Personnel Manager
Bank of Credit and Commerce International
100 Leadenhall Street, London EC3A 3AD
Telephone: 01-283 8566

Bank of Credit and Commerce International

SAUDI ARABIA General Practitioners

Required for work with a leading construction company

Salary £15,000 p.a. tax free

Accommodation Bachelor status for first 3 months (probationary period) then family acc. will be provided.

Holidays 4 weeks p.a.

Period of Contract 13 years.

Send c.v. with full details to Mr. I. Othman, Shobokhi and Kameel, 45 Marlborough Place, London NW3 0PS.

UNITED ARAB EMIRATES

A major contracting company offers a challenging career opportunity for:

A MANAGER

CIVIL CONTRACTING DEPARTMENT

will have to manage the department as an independent profit centre with full responsibility of sales, project evaluation and pricing, execution of medium and large projects—hospitals, hotels, commercial centres, etc. In addition, will have to supervise an important precast concrete factory. Candidates must demonstrate previous success in managing similar operations. Specific experience of precast concrete manufacture and direction is required. Accommodation, travel and allowances provided.

Send c.v., photograph and expected salary to Mrs. Ronval (Rec. Sas) 15bis, Rue de Marignan 75008-Paris.

HOLIDAYS AND VILLAS

FLY TRADE WINGS
WORLD WIDE

To: Brussels, West Africa
Nairobi, Dar es Salaam, Tan-
zania, South Africa, Cairo, T.
Middle East and Far East
Australia, India and Pakistan
and South America.

TRADE WINGS (Air Agency)
184 - Wardour St., W.1
Tel.: 01-437 6304/3151
01-439 0550
Telex 888669 HERRY.

-REMARKABLE
WINE OFFER

**REMARKABLE
WINE OFFER
40,000 CASES**

MUST BE SOLD THIS MONTH

These are all fine quality vintages
which you are invited to
LASTE BEFORE YOU BUY

Telephone or write for

Johls Nouveau is
attractive light yet
with plenty of
character.

Beaujolais Nouveau 1977
most attractive light young
wine with plenty of
racy character . . . \$21.95

Great Wapping Wine
60 WAPPING HIGH S
LONDON, E.1.
Tel.: 01-488 3988
Goods offered subject to

resistant. 8 plain
3 sq. yd. Other c
\$1.50 yd

RESISTA CARPET
584 Fulham Road,
Parsons Green, S.W.6.
736 7861.
182 Upper Richmond Road
West
East Sheen, S.W.14.

SUGAR DADDY

**SUGAR DADDY
OFFERS**

repossessed pastel mint
floor length (57in.),
12/14, vertical straw

Telephone 01-229 5
(during office hours)

Telephone 01-229 986
(during office hours)

ROSENDORFER Imperial 90
port Grand 1973 in excep-
fine condition. For ins-
contact agents for sale, G
Davy Ltd., Savile St., Hu-
SEM. Tel. 0483 26625.

Remember the summer? The Union Jacks flying from car aerials, the street parties, people speaking to each other, the jubilee? ITN, in an all-too-rare hour-long "special" takes us back to those days of warmth and unexpected togetherness, when millions of us crowded streets and country roads to see the royal progress... from Sharnbrook to Glasgow Central Station, from Belfast to Bermuda. Anthony Carthew's faintly irreverent, always good-humoured and never faltering commentary is an entirely fitting accompaniment to this very splendid Right Royal Celebration.—I.R.R.

QUESTIONS

YVONNE COURT - Beautiful site
prava aq. 2-6 mths. 1
lounge, K. B. \$70 p.w.
Tel. Bellora. 01-235 3659.

EARLS COURT - Short lat
service. Bal. k. & b.
colour TV, 276 p.w. 733 6341

HOLLAND PARK - Beautiful site
flat, lat. short 1 person, paper
baths, 2 bedrooms, 2
bathrooms, 2 bedrooms, 2
bathrooms, light fittings, w.
robes, American kitchen, a
double bedroom, 2 bedrooms,
499 9581

SOUTH KENSINGTON - Newly
decorated, 2 bedrooms, 2
bathrooms, large living
double bedroom, k. and b., c
central. \$1100
4087

SLOANE SQUARE - Excellent
site, large living, 2
double bedroom, k. & b., c

or long
499 7841
AMERICAN
Completed

TURNER, D.W. Usual fees required.
 Phillips Key & Lewis. 629 B1
 ONE WEEK TO 30 YEARS.
 King Louis. 1000 G
 RUM & RUCK \$85 2721. — Qu
 firm, flats/houses for long
 needed urgently and availa
 ideal tenants looking.
 SHAW & CO. — Strictly first
 houses, short and long
 visitors. To £1,000. 229 56
 6900.
 WARD, EMD. near Oxford
 Regency Park. Spacious, su
 modern flat, receipt/dining ro
 2 double bedrooms, bath, 2
 24 hours. £1,000. H. Embassy
 company let. Min. 3 mont
 £100 p.w. 486 4659. 10.30 a
 2 pm.
 WILKINSON. FLATS wanted. F
 purchased.—502 4671. Dixie
 Co.
 BARBICAN FLAT with large
 views over London and
 river. Kitchen and other sp
 2 bedrooms. £1,000. 229 56

furnished
 long lease
 client serv

WANTED: **INT. CANADIAN** family, bed, house with garden, 15/15/15, for 12 mos. from mid-January; around £1 p.w.—**Melland Palmer, 5121.**

KNIGHTSBRIDGE APARTME Ltd. have a large selection of furnished houses and flats in central London for long/short let. £50-£1,500. **0337**

LANDLORDS ONLY. Can K.L. Fulham help in letting your property? Our areas are Fulham, Putney, Battersea, Clapham, Wandsworth.—**351 3651.**

K.A.L. Hampstead office, the best selection of quality houses in the W. and N.

bedroom &
recept., k.
race over
transport:

p.c.m. quarterly in adv.
K.A.L. 723 4087.
WOKING, SURREY. Modern
bached house, 4 bedrooms.
bathrooms double garage;
acre garden. Fully furnished.
Monthly rental £375.—
Waiting 7.55.
CHELSEA. Attraction furnished
2 rooms, etc. £50 per week.

5200 p.w.
370 4339
BUCKS.—D

period cottage village west
Henney and Marlow. Verand
mildre, C.H., 4 beds, 1
b. b. 2 recept. attractive gar
double garage. Superb view
To let for one year at £140
month.—Ring 01-727 1357.
MARYLEBONE. Bloomsbury,
City, Mayfair. Westminster
Belgravia, George Knight
Partners. The specialist in

USF Based
ledge gal
univrs. ple
1125 or

SABBATICAL IN LONDON? —
 Selling of good quality houses
 flats in all districts of North
 North-west London has been
 speciality of George Knight
 Partners for many years. All
 soon by our staff and name
 are the private homes of
 demics and professional people.
 Please telephone 01-773 1

British instructors. Travel w
your own ski instructor to
Storrs Nevada. Dep. 9 Februar

for 28 nights from 2136 inc.
ture - Ring Suele Parlor
Keith Prowse Travel on 589
(ABTA ATOL 930BC).
SAUZE D'OUX SKI CLUB. Sp
offer for departure 7 Jan.,
£56 + New Year & Jnn. Ski
Phone Jane, Epsom 40454.
ISRAEL KIBBUTZ VOLUNTEER
S.p.e.: Project 67, 31 I
S.p.e. 7, Accrington, Lancs.

groups at St. Johann, Austria. First-rate instruction, accommodation and apres-ski, 1 or 2 weeks. \$300.—Trenton, N.J.

WEEKENDS ABROAD, 100 E
near destinations. Flight, h
b/b from £36 incl. Sea
Travel U1-808 6144 (ABTA)
MADRID, BARCELONA, ATHE
Geneva, Zurich, Lisbon, N
Rome, Milan, Malaga, Malta
most European cities. L
flights. — Freedom Holidays.

Malorca and Benidorm: Also Dec. and Jan. bargains from £30 for nights and £15 for 1 wk. See-Air

Travel, ABTA, Tel: 01-828 6
PALMA XMAS, 265, Villa F
ATOL 4018 ABTA 01-499 8
(continued on page 33)



To place an advertisement in any of these categories, tel: PRIVATE ADVERTISERS ONLY

01-837 3311
APPOINTMENTS
01-278 9161
PROPERTY ESTATE AGENTS
01-278 9351
PERSONAL TRADE
01-834 1234
MANCHESTER OFFICE
061-834 1234

Queries in connection with advertisements that have appeared, other than cancellations or alterations, tel: Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements vacant 22p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for sale of property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for medical, dental, legal, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for motor vehicles, boats, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for medical, dental, legal, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for motor vehicles, boats, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for medical, dental, legal, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for motor vehicles, boats, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for medical, dental, legal, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for motor vehicles, boats, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for medical, dental, legal, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for motor vehicles, boats, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for medical, dental, legal, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for motor vehicles, boats, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for medical, dental, legal, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for motor vehicles, boats, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for medical, dental, legal, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for motor vehicles, boats, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for medical, dental, legal, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for motor vehicles, boats, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for medical, dental, legal, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for motor vehicles, boats, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for medical, dental, legal, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for motor vehicles, boats, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

Advertisements for property, goods, services, etc., are charged at 10p per line per week. Minimum 10 lines. Classifieds Enquiries Dept 01-837 1234, Extra 7180

BIRTHDAYS

GRANVILLE - Happy birthday, Mrs. Daphne. ...
MARRIAGES
MURPHY - On 10th Dec. ...
MURPHY - On 10th Dec. ...

DEATHS

ANAN - On 14th Dec. ...
BACCHER-WYATT - On 14th Dec. ...
BELL - On 14th Dec. ...

DEATHS

BROCK - On 14th Dec. ...
BROCK - On 14th Dec. ...
BROCK - On 14th Dec. ...

DEATHS

CLIFF - On 14th Dec. ...
CLIFF - On 14th Dec. ...
CLIFF - On 14th Dec. ...

DEATHS

DUMFRIES - On 14th Dec. ...
DUMFRIES - On 14th Dec. ...
DUMFRIES - On 14th Dec. ...

DEATHS

HUTCHINGS - On 14th Dec. ...
HUTCHINGS - On 14th Dec. ...
HUTCHINGS - On 14th Dec. ...

DEATHS

LOAN - On 14th Dec. ...
LOAN - On 14th Dec. ...
LOAN - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

DEATHS

ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...
ROBINSON - On 14th Dec. ...

PERSONAL COLUMNS

ALSO ON PAGE 31

ANNOUNCEMENTS

URGENT

Are there any kind friends willing to make short-term, interest-free loans to enable the Marie Curie Memorial Foundation to finance the capital outlay on its two new Homes for over 100 of the most sadly distressed cancer sufferers? Guaranteed repayment at 6, 12 or 24 months, or on 7 days' notice.

For details please write to the Secretary, 124 Sloane Street, London, S.W.1. (01-730 9158.)

INDEED IT IS

CHRISTMAS GREETINGS

MR. H. J. JOEL

will not be sending cards to his friends all his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

Happy Christmas and Peaceful New Year

CHRISTMAS GREETINGS

MR. JAMES

Sends his greetings for Christmas and the New Year to his friends

HOLIDAYS AND VILLAS

SKI PARTY BARGAINS 7th JAN.

UNBEATABLE VALUE FROM ONLY £85

Take advantage of our bargain prices and go to one of our Staffed Chalets in a top Alpine resort on 7th Jan. - when the slopes are uncrowded, there's hardly ever a lift queue, snow conditions are usually at their best and local prices at their cheapest.

SKI SUPERTRAVEL

22 Haas Place, London SW1X 0EP. Tel: 01-584 5060.

Established 1964 Bonded Members of ABTA ATOL 3228

JANUARY VACANCIES AT ISOLA 2000

Just 51 miles from Nice - holder of the French Alps snowfall record for the past 2 years, Bargain periods available including scheduled flights, transfers, accommodation and all life pass. Prices per person.

Apartment 2/4 and 5/6 1 wk. from £111; 2 wks. from £147. Luxury hotel, half board 1 wk. from £181; 2 wks. from £230. Phone us for our brochure on 01-629 3377, or call at 32 Berkeley St., W.1. ATOL 706B. ABTA.

GREEK ISLAND VILLAS

Hotels, Tavernas, Village Houses

The 3-4-5-6 holiday brochure of the year is out next week. We specialise solely on 3 beautiful Greek islands - Corfu, Crete and Syros. Whatever your requirements we can help; we have villas for the discriminating, ranging from the very luxurious with private beach or pool, fully staffed with maid and cook to the more simple self-catering villa on a glorious stretch of beach. We also feature village houses - the real way to discover the unspoiled Greece, and the holiday cost includes car hire. For couples, we have luxurious hotels, simple pensions, apartments and studios. Prices are inclusive of air travel (for can be quoted on a weekly rental basis). Brochure:

CORFU VILLAS LTD

168 Woking Street, London, S.W.3. 01-831 8851/4 (589 9481) - 24hrs answering service

ABTA ATOL 337B

JANUARY SKI BARGAINS

FANTASTIC VALUE WITH JOHN MORGAN TRAVEL

Last minute chalet party holidays at unbeatable prices, inclusive of flight, transfer, breakfast, lunch with wine and coffee. Chalet girls to look after you.

Depart 2nd Jan. Selva 1 wk. 2 wks. £160 £160
Depart 7th Jan. Cortina £160 £160
Depart 7th Jan. Tignes, Méribel £160 £160
Depart 7th Jan. Courmayeur £160 £160
Depart 14th Jan. Selva, Courmayeur £160 £160
Depart 14th Jan. Avoriaz, Val d'Isère £160 £160

Book now while prices are at their lowest.

JOHN MORGAN TRAVEL

35 Bedford Square, London, W.1. Tel: 01-499 1911 (24 hrs.)

ABTA ATOL 052 BC

CHRISTMAS: NEW YEAR: JANUARY

GENEVA FROM £45

SKING FROM £79

For details of all our holidays contact RAWLINS PERKINS LTD, 340A, EHAM ROAD, LONDON SW10 6EL. Tel: 01-831 2151

SKI * SKI * SKI

ANDORRA * 3,000

SKI FLIGHTS TO GENEVA AND ZURICH

Some still available over Christmas and New Year. Contact: Monmouth Travel, 100, Strand, London, W.C.2. Tel: 01-637 4444. ABTA ATOL 363C

CHRISTMAS SKIING

a Special
Report

BAHRAIN

On other pages

Political scene	II
Port and dry dock development; other industries	III
Men who dig the past	IV
Property prospects	V
Oil; hotels and tourism; useful books	VI
Finance; facts of living in Al-Manamah	VII
Desert sports	VIII

Gateway prepares to open wider

by Patrick O'Leary

Small is particularly beautiful after eight hours in a jumbo jet, preceded by three hours delay at non-stop Heathrow airport. As yet another Western journalist takes a brisk look at Bahrain, which has managed to get along without him for 5,000 years, he feels that here is a country whose size, population, cashflow, hopes and fears are on a human scale.

There are 35 islands in the state of Bahrain, but their area is only about 255 square miles. They lie half-way down the Gulf, the island from which the group takes its name being about 15 miles off the coast of Saudi Arabia. Most of the other important islands are close to Bahrain, but the cluster known as the Hawars are to the south-east, near Qatar.

A causeway has just been opened linking the oil terminal island of Sitra with Bahrain's capital, Al-Manamah. Another joins the city to Muharraq, which is the second most important island in terms of population and industry, and has itself acquired an appendage, the Arab Shipbuilding and Repair Yard. This project, financed with help from the Organization of Arab Petroleum Exporting Countries, is on a man-made

island out in the shallow waters which surround the country, and approached by a seven-mile causeway.

But even this piece of engineering is overshadowed by the decision to go ahead with a project that has been discussed for many years, a causeway between Bahrain and the mainland of Arabia. This four-lane highway, costing more than \$450m, will probably take three or four years to complete, with the cost being met by Saudi Arabia.

British Steel Corporation is one of the firms hoping to join in a consortium bidding for an undertaking which will require some 200,000 tons of metal. The exact route, which will include the island of Umm al-Nasan as a stepping stone, was kept secret until recently.

This was to prevent speculation in land along the west coast of Bahrain which will be needed to take new roads for the 8,000 cars and 600 commercial vehicles expected to cross daily in the mid-1980s. Border controls will be based on Umm al-Nasan.

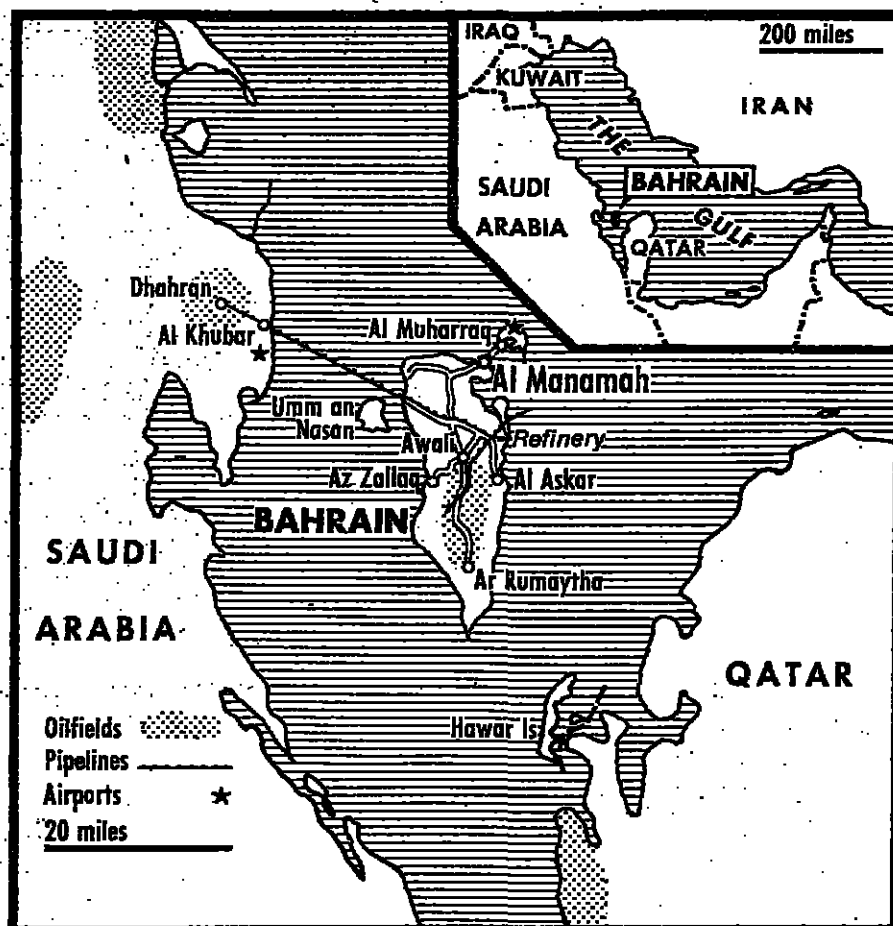
Bahrainis see the causeway as a further move in their drive to make their country an offshore service centre in the Gulf. It will bring their port of Mina Sulman and the new dry dock off Muharraq into direct touch with the Arabian mainland.

There is also the hope that food and other imported goods will become cheaper with the establishment of a land link with Europe and Africa. Any dispute about bringing the country closer to its more powerful neighbour is discounted.

Youssef Ahmed Shirawi, Minister of Development and Industry, told the *Middle East Economic Digest* earlier this year: "There already is a causeway between Bahrain and Saudi Arabia. There is an air link and a sea link. There is a tradition and history of good relations. We are already one of the gateways of Saudi Arabia."

It is true that relations between them are close. An air shuttle service between Muharraq and Doha opened in May. A pipeline takes Saudi oil to the refinery in eastern Bahrain. The weathering nation has also contributed handsomely to social and commercial investment in the smaller, and has encouraged other prosperous Gulf states to do the same.

Perhaps the opening of a formal land link will prove a step they are taking. Bahrain's history has been largely that of a small country skillfully keeping its independence in an area dominated by more powerful neighbours. When its developments in hotels, social atmosphere of Bahrain and commute to work ended in 1971, it held aloof



bour. Whatever other effects this will have, it seems likely to increase inflationary pressure in Al-Manamah.

According to official figures inflation in the first half of this year rose only 2.5 per cent compared with 14 per cent a year ago. Government subsidies have reduced the cost of basic food, housing and power.

A flexible approach to business propositions, and the ability to recognize a piece of good fortune when it presents itself have marked Bahrain's progress in the twentieth century. When its prosperous pearl trade declined 50 years ago, it switched to oil production. Revenues, by the standards of many of its neighbours, were modest, but part of them were used to develop public services.

Bahrain also seized the opportunity to licence offshore banks to make use of petrodollars. They have been joined by money brokers, and merchant banking is also being encouraged. The freedom from taxation and restrictions granted to the offshore banks has just been extended to approved service companies whose main business is not in Bahrain. But such companies will have to maintain a properly manned office there, and not just a brass-plate presence.

An international business centre needs strong communications. Muharraq airport is the headquarters of Gulf Air, jointly operated by Bahrain, Qatar, the United Arab Emirates and Oman. Its new fleet of TriStars operates alongside aircraft from many Western and Eastern countries.

Concorde has flown to and from the state for two years. The airport, which has been described as the Clapham Junction of the Gulf, serves more than a million passengers a year, as well as a growing freight traffic. Although a new terminal was opened in 1971, it has had to be extended. There are no-stop flights to New York as well as to many European and Eastern cities.

It is perhaps no longer true that businessmen fly to Bahrain from other Middle East countries just to make a telephone call. But local businessmen enjoy the benefit of services which extend over satellite transmission, direct dialling to Britain, and ship to shore telephones, and will soon be joined by car telephones.

Bahrain Telephones, a wholly-owned subsidiary of Cable and Wireless, is spending £58m over the next five years to catch up with the backlog of orders arising from the arrival of offshore banks and money brokers. Purchases include containerized exchanges from Japan, which eliminate the need to wait while new premises are built. Business has doubled in the past three years.

To the first-time visitor, Bahrain has the air of an open society, without apparent suspicion of foreigners. But it is probably true that some Western sales talk is more closely scrutinized now than it would have been when oil prices first rose sharply.

Britain is still the principal source of imports, followed by Japan, the United States and Australia. During the nineteenth century, and

the first half of this, links between Britain and Bahrain became steadily stronger.

Eventually Bahrain was the headquarters for the British Political Resident covering the whole Gulf, and a base for the Royal Navy, Royal Air Force, and British troops. But in internal affairs Britain could intervene only in an advisory capacity.

Since 1971 the Emir, Shaikh Isa bin Sulman al-Khalifa, has ruled an independent state which was annexed by his family nearly 200 years ago.

However, Britons still form the biggest European community in the country, others including Americans and the Portuguese, who ruled Bahrain in the sixteenth century. There are bigger contingents from Oman, India, Pakistan and Iran. But it is estimated that out of a total population of more than 250,000, nearly four fifths are Bahrainis.

It is apparent that much of the Government's energy and resources have been devoted to creating an educated lower middle class, with their own homes and white collar jobs. This has been aided by the enthusiasm with which women have gone into banks and other offices.

Some may still wear the envelope black cloak while going to work—in case they meet grandmother on the way—but once there they discard it and do their work in modern dress. A few of the more conservative retain a kind of headscarf to conceal much of their faces.

The Hongkong Bank Group

In Bahrain

The British Bank of the Middle East

Main Office

P.O. Box 57, Manama

and at

Lulu Road, Ghudaibiya, Isa Town,
Muharraq and Hidd

The Hongkong and Shanghai Banking Corporation

Offshore Banking Unit

P.O. Box 5497, Manama

World Wide

Offices in

Australia-Bahrain

Brazil-Brunei-Canada

People's Republic of China-Djibouti

France-Federal Republic of Germany

Guam-Hong Kong-India-Indonesia

Japan-Jersey-Jordan-Lebanon

Macau-Malaysia-Mauritius-Netherlands

New Hebrides-Oman-Philippines

Qatar-Saudi Arabia-Singapore

Solomon Islands-South Korea

Sri Lanka-Switzerland-Thailand

United Arab Emirates-United Kingdom

United States-Yemen Arab Republic



Head Office & London Main Office of
The British Bank of the Middle East 99 Bishopsgate London EC2P 2LA 01-638 2366

Head Office of

The Hongkong and Shanghai Banking Corporation 1 Queen's Road Central Hong Kong

London City Office

99 Bishopsgate London EC2P 2LA 01-638 2300



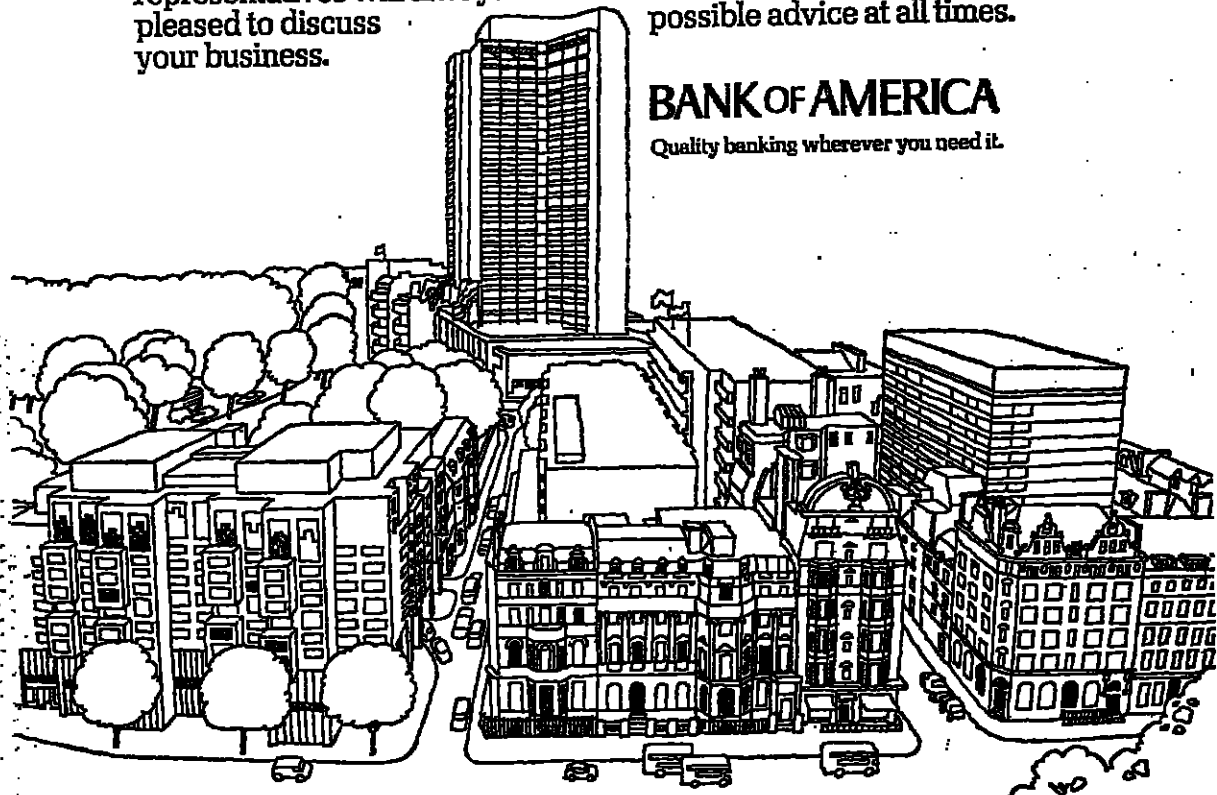
Here in London you're closer than you think to the Middle East

Here at 7 Old Park Lane in Mayfair is the Middle East Area Office of Bank of America, just a few minutes walk from many of London's top international hotels.

From here we co-ordinate all our banking operations in the Middle East and our area representatives will always be pleased to discuss your business.

We offer a complete range of international banking services, including loan syndications, corporate lending, project financing and correspondent banking. And through our global network of offices we can see that you receive the right introductions and the best possible advice at all times.

BANK OF AMERICA
Quality banking wherever you need it.

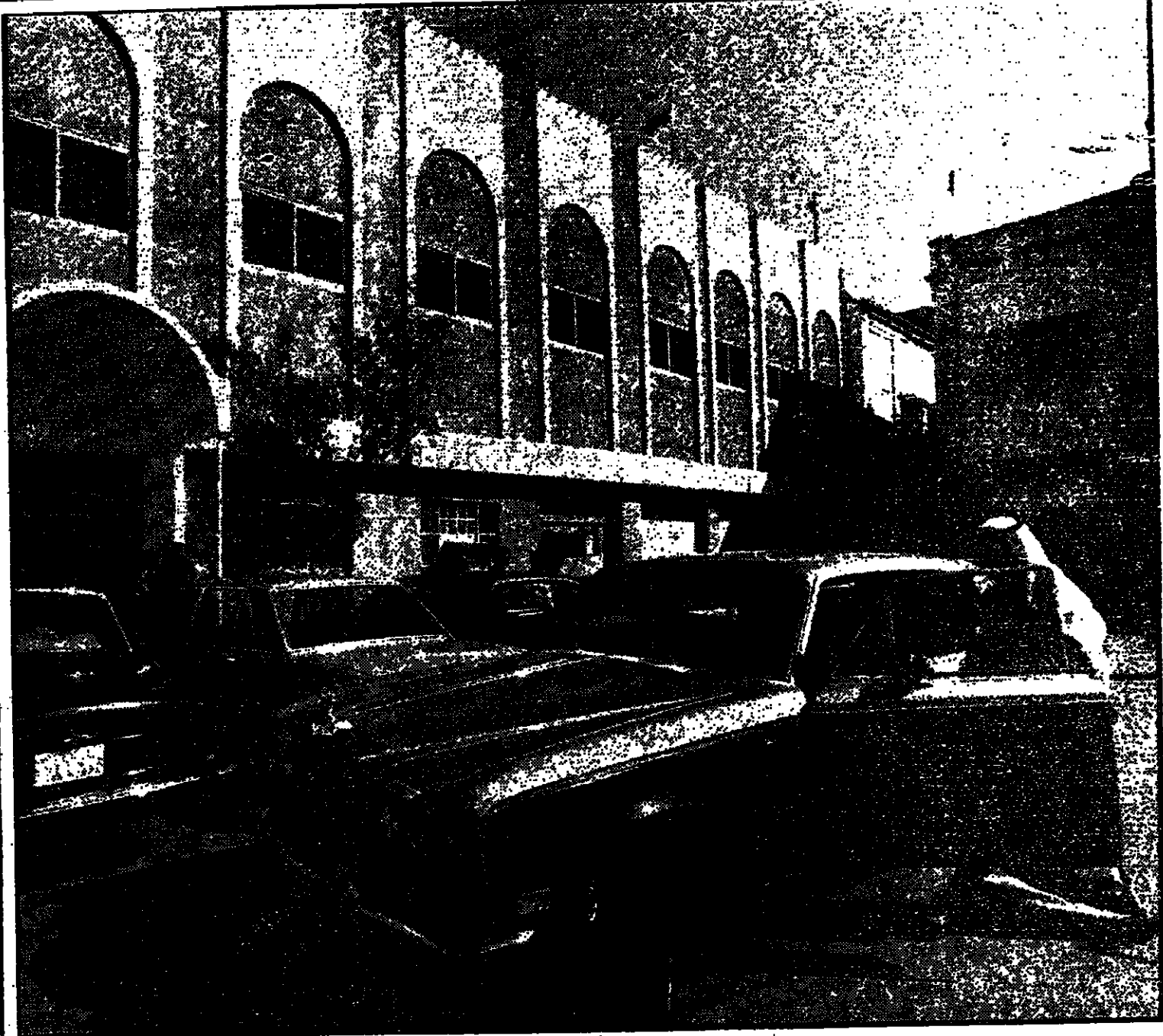


MIDDLE EAST DIVISION

Area Office: LONDON 7 Old Park Lane, London W1 Tel: 01-629 9070
Contact: Senior Vice President
Yves C. Lamarche,
Vice President Samir Kaldawy,
Vice President Dietrich Herzog
ABU DHABI Bank of America, P.O. Box 3848, Abu Dhabi, Tel: 28301
Representative: Shafiq Ahmed

BAHRAIN Bank of America, P.O. Box 5280, Manama, Bahrain. Tel: 50558. Telex: 8616.
Manager: Mustapha Serag El Din.
EGYPT Bank of America, 15 Brazil Street, Zamalek, Cairo, Egypt. Tel: 818722/813980 Telex: 2425
Manager: Leslie Stones.
IRAN Bank of America, Iran Representative Office, P.O. Box 41828, Tehran, Iran. Tel: 825588.
Representative: John Silva.

KUWAIT Financial Group of Kuwait, (An Affiliate of the Bank of America) P.O. Box 23986, Safat, Kuwait. Tel: 444087/81.
General Manager: Dominique Santini.
LEBANON Bank of America, B.L.T. Building, Riad Solh St., P.O. Box 3965 Beirut Tel: 240001 Contact: Manager: Marshall Lewis



Rolls-Royces on Al-Manamah: there is keen competition to win a slice of the booming trade.

Politics finds its outlet in business

by Ann Fyfe

Bahrain has a highly educated, articulate population with high material expectations but with no representative forum through which to direct its demands since the dissolution in 1975 of the National Assembly. Not that the Assembly turned out to be much of a two-way channel: the reasons for and effects of its dissolution, and the direction in which the governmental process has developed during two years without formal representative check, are thus the important area of inquiry in contemporary Bahrain politics.

Trade, Bahrain's distinguishing activity, has proved the great shock-absorber in this respect and its promotion is the Government's foremost preoccupation. Or, to phrase this basic datum more fully, trade mitigates ideological commitment on both right and left.

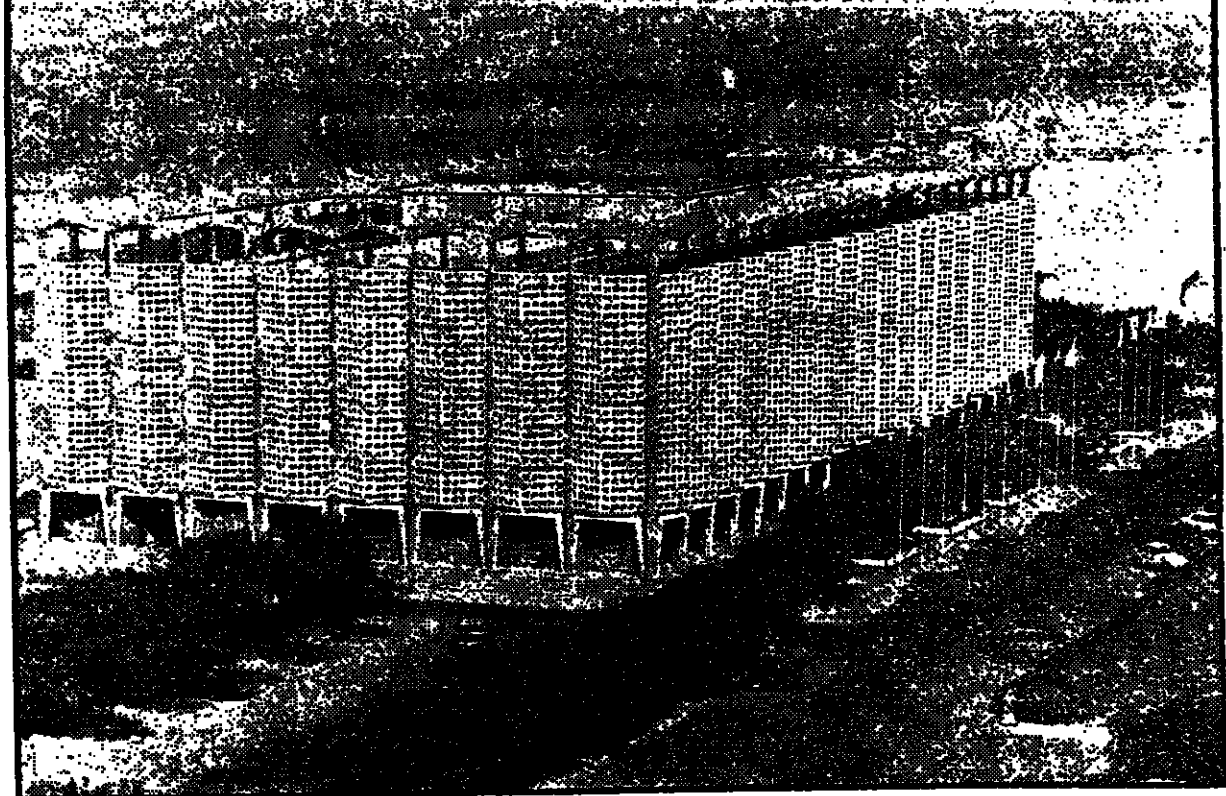
Because so much post-Assembly legislation has been concerned with commerce and employment, the state's corridors of the Chamber of Commerce are in some sense the seat of opposition, in that the merchants and the scrupulous and critics of this large part of Government activity. Shadily rule with mercantile constraint seems to have been the historical status quo by this argument the 1977 system of government is a return to the pre-Assembly norm.

Four main groups with differing economic and religious backgrounds make up the Bahraini populace, which itself constitutes about 80 per cent of the island's total of a quarter of a million.

Aboriginal farmers and fishermen, established in the archipelago centuries before the arrival of the present-day ruling classes, are found mostly in remote rural areas. Ancestors of the present Emir arrived in Bahrain from Kuwait and the north by way of Qatar towards the end of the eighteenth century and took the islanders their contemporary Persian governors. Since then the Al-Khalifa have ruled without interruption.

This Sunni Muslim Arab clan was accompanied on its migration by kindred whose chief occupation was commerce, principally the pearl trade, and these are still found in the largest trading establishments. Over the past century, large numbers of Iranian families, both Sunni and Shia, the latter mostly artisans, have fanned their way to Bahrain, Shlah and Suqai are approximately evenly balanced numerically.

When campaigning for Bahrain's first elections in December 1973 began, the dominant merchant elite were well represented among the candidates, and confidently expected to have the louder voice in the Assembly. Instead, to their amazement, the voting by adult male suffrage produced a distinctly dissonant, non-merchant, and Establishment chamber. Since 85 per cent of eligible Bahrainis voted and the ballot was secret, the election results were unassailable.



Government House, Bahrain: since the National Assembly was dissolved in 1975, the Emir rules by decree.

Of the 30 members elected, a generous third were of identifiably left-wing persuasion, including communists, and a smaller group which included the Speaker, Abdullah Madani, who was murdered in 1976, represented a reactionary religious view. Parties were and are illegal: what is impeded there by communist, for example, is a candidate whose platform reflected communist teaching sufficiently closely to induce the electorate to identify him as such.

Some observers regard these ideological labels as imports from the West and from left-wing and Baathist Arab countries, notably Iraq, and feel as a result that they do not represent deeply-held convictions but expressions of a transient fixation with left-wing politics.

Partly because of this great political divide, partly because of the novelty of parliamentary proceedings and partly because of abuse of the Assembly's time for the pursuit of personal vendettas, the Assembly failed to pass legislation. Many motions originating from Right and Left were tabled with demands extending from the nationalization of the oil company to the total seclusion of women; but meanwhile bills piled up, including a draft internal security law, which the authorities were anxious to enact, sanctioning detention without trial. The Assembly demurred and was disbanded overnight in August, 1975.

Some hostile reaction was heard but the public seems to have been almost as bewildered as the Government by some of the Assembly's more extreme motions and as far as one can ascertain there is no burning sense of grievance on the island today.

What became of the members and how has government been conducted since the dissolution? It is there that commerce has been influential. The island's trade is booming and the aspirations of the Bahrainis seem to be to participate in this prosperous activity. Clandestine political groupings are known to exist, however.

Some have affiliations to the Popular Front for the Liberation of Oman, some with Baathist sympathies and others still with extreme religious views. It is for the suppression of these groups that the detention clauses are invoked and it does seem that there are political prisoners. Rumours were rife during the trial of Madani's murderers about the treatment of the accused men.

Britons still fill the posts of Director-General of Police and Chief of the Security Services and the head of the CID is Jordanian.

Government is now to all intents and purposes government by Emir decree but the European student must, before delivering judgment, learn the basic lesson that in Arab tribal society (however diluted tribal mores may be in advanced Bahrain) one of the ruler's primary functions is that of ombudsman against his own ministers.

Legislation originates in the Cabinet and is endorsed by Shaikh Isa, whose views will have been made known at the consultation stage. While older citizens and those close to the ruling family still present their petitions direct to the ruler at his twice-weekly Majlis, it has been a natural development that others turn in-creasingly to the ministries to lobby for their demands.

Although government attitudes on security matters seem to have hardened since the assembly experiment, much post-assembly legislation has aimed at the material and social improvement of the Bahrainis' living standards. Many social security, insurance and welfare laws have been signed, as if to demonstrate that the Government can act in the interests of the people without the prompting, or the obstruction, of an elected body.

Employment and labour conditions are among the 'most important political issues today' and Bahrain is acquainted with large-scale, organized strikes. When laws protecting the worker and improving his environment have proved costly to the employer, however, the employers—that is the merchants—have forcefully made their views heard. Often this is done through the Chamber of Commerce, which recently introduced national insurance regulations that reduced employers' contributions for expatriate staff. The chamber was also responsible for new medical provisions and company registration measures.

Missing from this account of the political composition of Bahrain has been the Sunni-Shia schism. A European observer finds it difficult to determine whether this issue is merely dormant and liable to erupt suddenly or whether, as it appears on the surface, declining in importance.

In favour of the latter argument is the integrating effect of education; schools are non-sectarian. Against it is the fact of population distribution which means that villages tend to be either Sunni or Shia, but not both. As a result, a school non-sectarian in intent will in practice be attended by only one of the two sects.

The Shia claim to be the larger of the two but in high government positions they are noticeably few: they have five out of 17 ministers at present. Generally speaking, the Sunni are better off materially. Religion is not, however, the burning issue of the day, any more than are the Assembly or foreign immigration (which fuels such heat in neighbouring Gulf countries whose Arab population forms the minority). The main bones of contention relate to material, rather than ideological, questions. The most controversial are issues over rents, land, the cost of living, employment and welfare, in all of which sectors the expectation is capable of being satisfied by means of high government expenditure.

To make projections for the future, therefore, the student must begin by asking whether the will and the wherewithal to maintain such a level of spending exist. Evidence to date is that they do.

Not all free far rightists or far leftists have been astounded into painful walks of life, but their views must be expressed covertly and counting them is thus extremely difficult. It seems reasonable to conclude, however, that the diligent pursuit of prosperity has pushed ideological energy into the background for the moment.



Sports Centre and Stadium, Sharjah.



Al-Khaimah International Airport.



Holiday Inn, Beach Club and Marina, Bahrain.

Count on C.A.T. for experience...

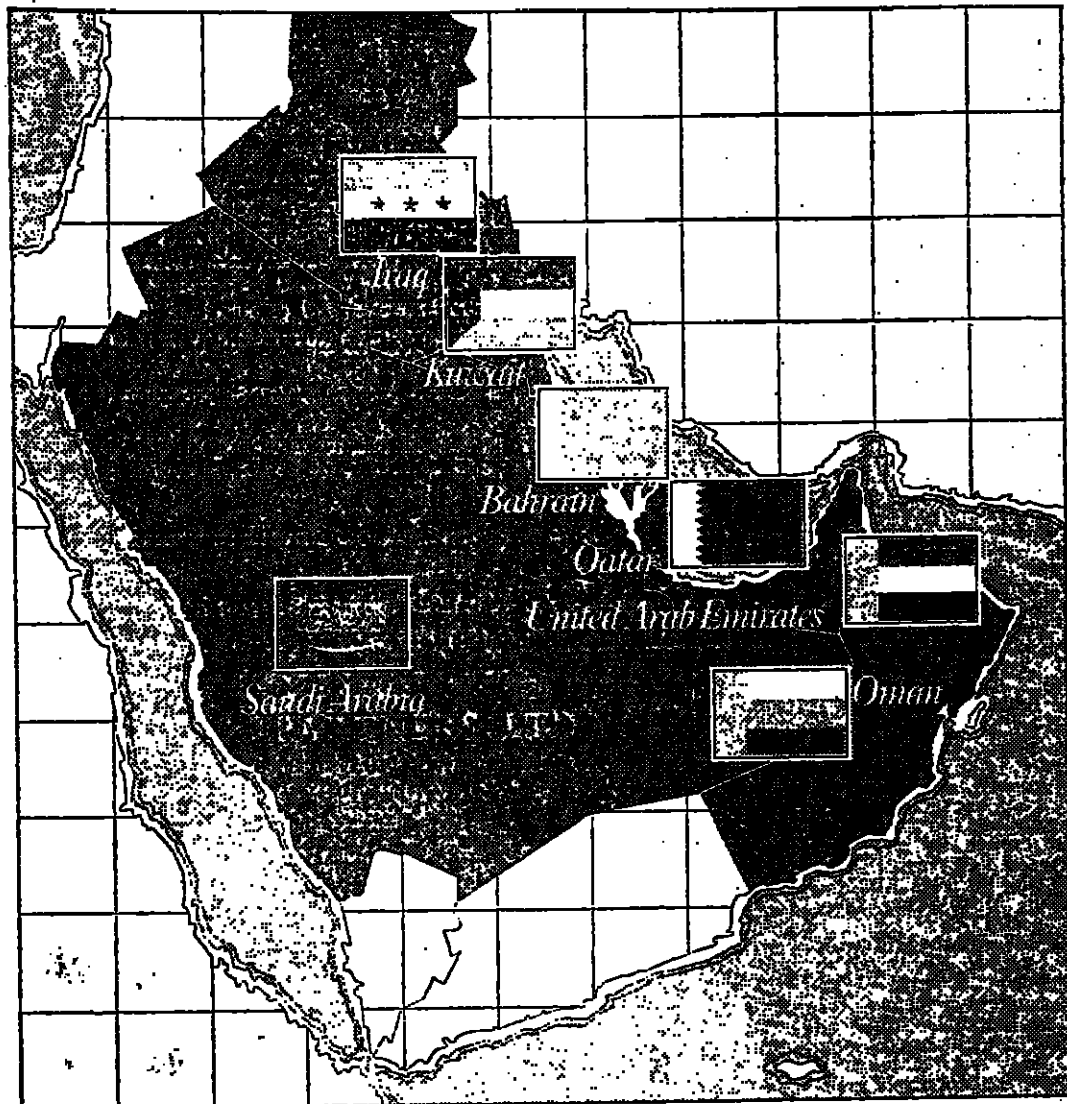
...that backs technical ability with local know-how to get even the most difficult jobs completed on time

C.A.T. & MOTHERCAT
Pipeline and Process Plant Constructors and Civil Engineers
P.O. Box 11-1036, Beirut, Lebanon. Telex: CAT 20616 LE
P.O. Box 105, Bahrain. Telex: 8436 CAT GJ
P.O. Box 121, Sharjah, U.A.E. Telex: 8014 CAT SH

Agents: 1, 11 Gt. Cumberland Place, London W1H 7AL Telex: 21128

هكذا من الاصل

All these countries own The Gulf International Bank.

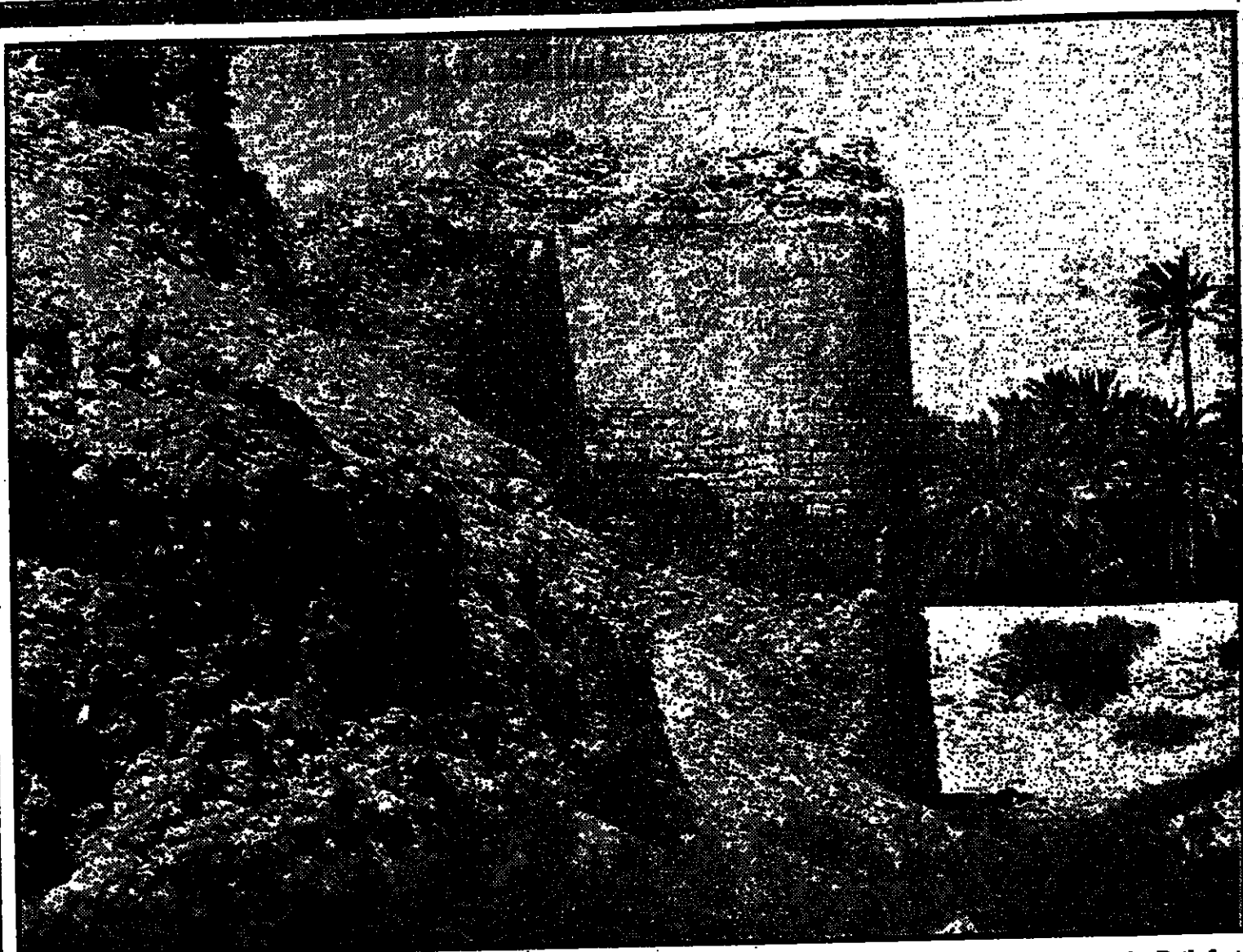


The Gulf International Bank represents seven Arab States bordering the Gulf: Bahrain, Iraq, Kuwait, Qatar, Saudi Arabia, Sultanate of Oman and United Arab Emirates. Owned directly by the Governments of these states and with an authorised capital of US \$100,000,000 and issued capital of US \$70,000,000, the

bank has their strong backing and support. Already a major force in the Gulf Area, G.I.B. will extend operations worldwide, to grow into a major world bank offering complete commercial and merchant banking facilities to and from the Gulf Area and throughout the world.



Government Road, Manama, P.O. Box 1017-Bahrain.



These ruins of this Portuguese fort at Qal'at al Bahrain bear a superficial resemblance to the Zimbabwe ruins in Rhodesia. Both forts were used in the African slave trade.

Philip of Macedon find spurs search for riches beneath the sands

by Patrick O'Leary

When winter comes the archaeologists get busy in Bahrain, one of the first Arab countries to encourage their work. A square tent is the headquarters of a French team excavating an Islamic city on the northern coast at Qal'at al-Bahrain.

It is just one of a series of cities built on the same site, spanning 3000 BC to the sixteenth century, when the Portuguese manned the fort whose ruins rise above it.

A few miles to the west, at Diraz, another tent is pitched beside the remains

of a temple excavated by a joint Bahraini-British team. It was a columned building, believed to have been constructed nearly a thousand years before comparable temples appeared in Greece.

On the west coast of the island emergency digs have begun into a number of sand-covered mound tombs which lie on the route of the new road which will serve the proposed causeway to Saudi Arabia. Such tombs from the pre-Christian era are found in several parts of Bahrain.

They are referred to as the 100,000 tombs, but an accurate count would be difficult, and it is thought there may be as many as 200,000.

It was these mounds which first excited the curiosity of archaeologists. Bahraini craftsmen adopt a more pragmatic attitude to them. The island village of Aali has the biggest tombs, some two or three storeys high.

'A beautifully thorough job of work'

Black smoke rises as you approach the village. This simply means that the local potter is using one of the empty tombs as a kiln for firing his pots. Others are pressed into service for burning lime out of limestone. A strange touch is added by a modern cemetery between two ancient tombs.

Some mounds have been excavated. Generally the finds were meagre, the graves showing signs of being disturbed centuries ago. But the recent discovery of the tomb of Philip of Macedon, son of the famous conqueror, intended to subdue Arabia, but died before he could undertake the campaign.

To the layman, an archaeologist is a slightly grubby and disturbing figure. He spends much of his time rifling tombs, which seems the ultimate invasion of privacy, then grumbles if he finds grave robbers have been there before him.

He is always suspected of being a treasure hunter, when in fact the broken fragments of a delicate piece of pottery often interest him more than gold or diamonds. Patience is his great virtue as he knits together the outlines of history from broken pots, ruined buildings, fragmentary inscriptions and the contents of rubbish tips.

The blend of scholarship and detective work, called in *Looking for Dilmun*, by Geoffrey Bibby. It is an account of excavations carried out in Bahrain and other Gulf states for many years by teams of scientists organized by a Danish museum in Aarhus and led by its curator, Professor Peter Vilhelm Glob.

Mr Bibby paid a graceful

tribute to Captain E. L. Mesopotamia as associated with a Gulf state known as Dilmun.

From this apparently slight evidence Sir Henry, in a long footnote to Captain Durand's report, made the daring deduction that Bahrain had been the mysterious Dilmun before being renamed Tylos by the Greeks.

Archaeologists are particularly interested in Dilmun because it was both fact and fiction. It was a prosperous port of call on the trade route between the cities of Mesopotamia, in what is now Iraq, and the Indus Valley, Pakistan.

Captain Durand went to Bahrain at the instigation of Lieutenant-Colonel C. C. Jess, Political Resident in the Gulf, to carry out what was something of a diplomatic and military reconnaissance. The extracts from his report published in 1889 in *The Journal of the Royal Asiatic Society* pointed out that Bahrain was vulnerable to attack from the mainland across the narrow seas.

He commented: "From the top of the Jebel Dukhan, or hill of smoke, in the very centre of the island, a perfect view of this sea and the enriching mainland is obtainable, and this, if necessary, could be very easily made use of as a signalling station."

'The land is silver and the sea is pearl'

But other passages revealed a more poetic side to the captain's character. A man we feel we would like to know better. He recounted how a native said of the Bahrain group of islands "the land is silver and the sea is pearl".

Captain Durand went on: "Looking out to sea on the morning of a clear sky and a fresh nor-wester, it would seem as if nature, at all times lavish of effect, had here, however, exhausted every sort of living green in her paint-box; and then, wearying of the effort, had splashed an angry streak of purple into the foreground."

Before describing his excavation of some mound tombs, he wrote: "It is certainly forced upon even the most superficial observer that he is standing upon no common soil, but on that of a land which, although now desolate enough, has probably reemerged with high life, and under whose flag many, possibly, lie the history of countless generations."

He added the warning that although the climate was delightful from October to April, during the other months of the year it would be impossible to work. The trustees of the British Museum were so impressed by Captain Durand's report that they allocated £100 for him to spend on further excavations. But when the instruction reached Bishra, in what is now Iraq, he had been recalled to India.

His most important find was a piece of black basalt rock, apparently the foundation stone of a temple. It bore a cuneiform inscription which Sir Henry Rawlinson deciphered as referring to Inzak, a god identified in clay tablets found in

Mesopotamia as associated with a Gulf state known as Dilmun.

From this apparently slight evidence Sir Henry, in a long footnote to Captain Durand's report, made the daring deduction that Bahrain had been the mysterious Dilmun before being renamed Tylos by the Greeks.

Archaeologists are particularly interested in Dilmun because it was both fact and fiction. It was a prosperous port of call on the trade route between the cities of Mesopotamia, in what is now Iraq, and the Indus Valley, Pakistan.

Thousands of tombs still unexplored

But in Sumerian mythology it was a paradise favoured by the gods which held the secret of eternal life. Presumably this belief has to do with the 100,000 or 200,000 tombs, a place where even ordinary people were buried with some care.

Captain Durand's inscribed stone was destroyed during the last war, but Sir Henry's view received support about the same time from Dr Peter Bruce Cornwall, an American. He excavated some of the burial mounds in 1933.

Further evidence was dug up by the Danish team after the war, hence the title of Mr Bibby's book. They found a number of merchants' seals among the Bahraini ruins of a type also discovered in Mesopotamia and Pakistan.

A practical rest will come from the voyage of Mr Thor Heyerdahl, who is sailing the Gulf in a ship of reeds built according to Sumerian

designs of about 3500 BC. He hopes in this way to assess how trade and culture could have spread in the ancient world.

The British Political Agent in Bahrain from 1904 to 1912, Captain F. R. Frideau, excavated some of the Aali burial mounds. He seems to have gone about the task in a military fashion, tackling eight of them at once with a large labour force.

In 1925 nearly fifty other mounds were investigated by Ernest Mackay, sent to Bahrain by Sir Flinders Petrie. But there are still tens of thousands of tombs unexplored.

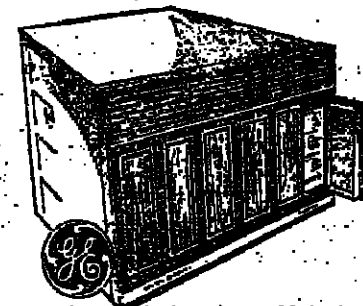
Geoffrey Bibby's own interest in Bahrain began when he worked there as an oilman in the late 1940s. He recalls arriving from London by flying boat in the days when there was only one hotel.

From that contact arose a big series of excavations which at various times involved more than 80 archaeologists from half a dozen countries as well as several hundred workmen. Their finds included the remains of three temples, the first dating back to 2500 BC, at Barbar, not far from the present excavation at Diraz.

Since the Bahraini excavations have produced few objects of intrinsic value so far, artifact smuggling has not become the curse it is in other countries. But there are other hazards. One party of archaeologists, having uncovered an open coffin and skeleton, left them for closer study the next day. On their return the skeleton's skull had vanished.

It is also a sensible Arab custom to use old buildings as a quarry for stone to patch up modern ones. For this reason one temple site has been reburied in sand until arrangements can be made for guarding it.

GENERAL ELECTRIC YOUR BEST BUY



ROOM AIR CONDITIONERS
FROST FREE REFRIGERATORS
AUTOMATIC WASHING MACHINES

For complete service contact:

JASSIM JABER
GOLDEN ARROW CO.

Al Khalifa Road
P.O. Box 658, Bahrain
Tel: 54447

National Insurance Services

Telephone: Bahrain 52452/57073

P.O. Box 530
Manama
State of Bahrain

Telex: 8908

هكذا من الاصل



Al-Manamah Centre, a new multi-million pound project comprising three blocks of showrooms, offices and flats, has arisen in Government Road, Bahrain's main business and administrative thoroughfare. The National Bank of Bahrain tower (left) looms over it.

Horror stories arise as buildings go up at feverish rate



Property development has patriates has been a 50 per cent drop in some rents since last year. However, the slackening came from a level of activity which seemed too feverish to last. Government sources said construction costs trebled between 1973 and 1976 with land values rising up to six times. High prices made house ownership impossible for many Bahrainis.

It was not entirely a case of speculators growing fat, said another told of a Labour and materials are expensive, and both have freer out of more than 20 quently to be imported. houses had been let. A well. Even aggregate comes from come side-effect for ex-

The Bahrain Tower block (right), nearing completion, already dominates Government Road.

and gravel are used they have to be washed in filtered water. This is because salt and sulphur in the local supply can cause trouble if they come into contact with reinforcing metals.

For the same reason cars suffer excessively from rust, which is why Bahrainis can be seen washing their vehicles beside some of the sweet water streams in defiance of notices forbidding the practice. Builders at least have the consolation that cement sets rapidly in the Gulf climate.

Three or four multi-million-pound commercial developments will be testing the market over the next few months. Al-Manamah Centre, in the heart of the city's business and administrative thoroughfare, Government Road, contains three blocks, offering a total of 300,000 sq ft of showrooms, offices and flats.

Office space is priced at about £11 a sq ft and a three-bedroom flat at some £1,100 a month. In addition tenants have to meet a municipal tax of 10 per cent on rent, and at least another 10 per cent service charge.

Service is an important aspect of renting property. Even modern buildings quickly look seedy in a hot climate if paintwork is neglected or staircases are left unswept.

The centre is Bahraini-owned, but letting and management are in the hands of Cluttons, the London chartered surveyors. Mr Simon Troughton, the resident manager, said he believed the commercial space would appeal to companies, such as banks, which were expanding and wanted to move into bigger and better premises.

"We believe the downturn has stabilized in the commercial market," Mr Troughton said, "although the residential side is still volatile." He thought offshore companies would be cautious about establishing offices in Bahrain, in spite of recent government moves

to offer concessions to some service businesses similar to those which brought in offshore banks.

Architecturally, Al-Manamah Centre has clean lines but it is overshadowed by the imaginative Bank of Bahrain tower next door, which retains some of the cool first-work appearance of Arab buildings.

This tower again combines offices and flats, a common feature of several recent developments. Private car parking is also in demand, which should at least do something to ease traffic-blocks in Government Road caused by contractors' lorries and rubble.

Along the road the city's tallest building is taking shape. Bahrain Tower is Bahraini-owned, with letting and management in the hands of Debenham Tewson & Chinnocks.

This London firm has had a presence in the island since 1975. In addition to letting and managing such developments as the Pearl of Bahrain building and residential property, the firm has acted for clients from Saudi Arabia and Kuwait, advising on investment in various parts of the world.

Near the opposite end of Government Road the Sheikh Mubarak Building is being fixed out. Inevitably the prime ground floor premises in each wing have been taken by banks, the Middle East and Chartered.

Some other London agents have followed Debenham's example in operating in Bahrain. But often staff simply come in on a general tour of The Gulf.

The appropriately named Al-Gulf agents have offices in London and Al-Manamah. Bahrain is not the only European country looking for business. An advertisement in the Gulf Weekly Mirror from a Swiss firm offered: "Ancient farms, old estates, abandoned chapels, venerable parks, age-old gardens, ancestral palaces and manors in Italy and France".

One area of construction still thriving is in hotels. Thousands of extra bedrooms will be provided over the next two or three years in new blocks, or in additions and renovations to existing hotels.

Whether they will all prosper depends on future world trade activity, and on the influence of such developments as the new ship repair yard and the causeway to be built between Bahrain and the mainland. It is said that a Bahraini hotel-keeper regards anything less than 105 per cent room occupancy as a bad night, and it seems some lowering of expectations and perhaps prices will occur when the Holiday Inn, Sheraton, and other establishments open their doors.

Non-Arab individuals or companies may not own property, but land can be leased from the Government. A Housing Ministry official said Bahrain needed 15,000 more homes in five to seven years to reduce overcrowding.

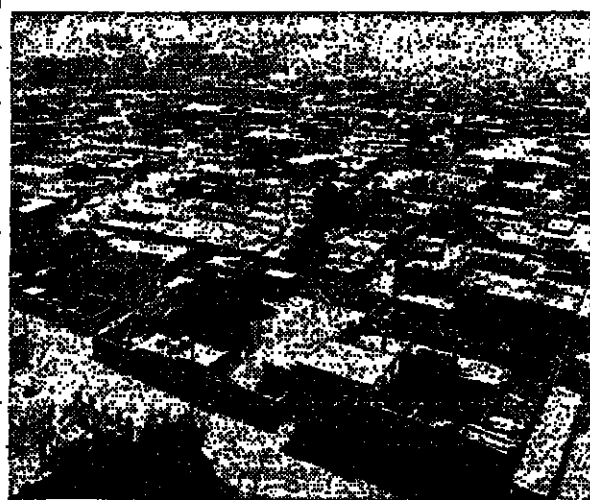
It will not be easy to achieve such a target. Many poor people own their own homes, which makes slum clearance a complicated process. Also, the population is overwhelmingly young, and couples marrying now are not prepared to start their joint life in one room hastily tacked on to their parents' home. But the rent of even a small house can be more than the wages of a skilled worker.

Measures to solve the dilemma have included the

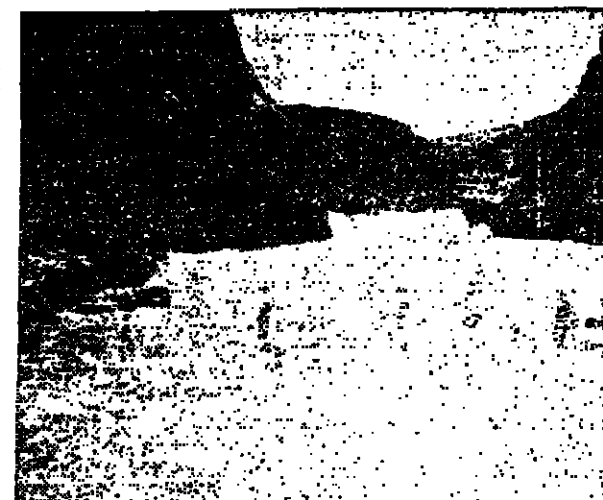
building of Isa Town on virgin desert seven miles from Al-Manamah. There couples buy their homes on low-interest mortgages, the land having been donated by the Emir. It is said that if residents fall behind in even their low repayments, they are not pressed too hard for the money.

Loans are also granted to Bahrainis who own a plot of land but cannot finance building a home. Other steps include provision of five-storey blocks of flats, a form of housing which Arabs traditionally shun, and of timber-frame and prefabricated estates. There are proposals to set up a specialist housing bank.

P. O'.



We drained it.



We diverted it.



We crossed it.



We housed it.

We've diverted the Rio Colca in Peru, built a highway across the mountains of North Yemen, completed a major drainage scheme in Sharjah and built a large housing development in Bahrain.

Just a few of the ways and some of the places where Tarmac are using their building and civil engineering skills—even in the remotest corners of the world.

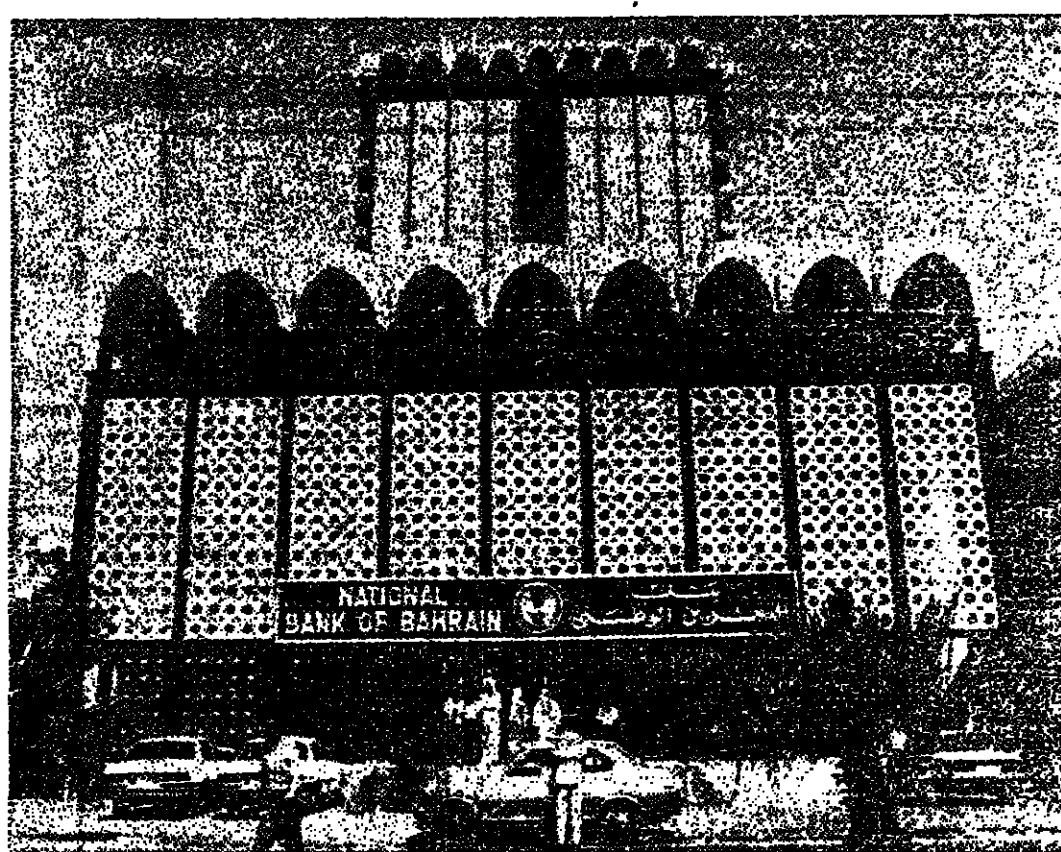
Tarmac

INTERNATIONAL

Big in World Construction.

TARMAC INTERNATIONAL HOUSE, 62-72 CHILTERN STREET LONDON W1M 2EL. TELEPHONE 01-486 4444. TELEX 23713. OFFICES IN OMAN, BAHRAIN, U.A.E. AND EGYPT.

The bank that knows the people, the market and the opportunities



Today Bahrain has grown into the nerve-centre of banking operations in the Middle East. At the heart of this growth is the National Bank of Bahrain, one of the largest banks in Bahrain active in the local commercial market as well as handling large volumes of interbank activities, foreign exchange and money market operations, in Gulf as well as international currencies. The National Bank of Bahrain — your opportunity to contact the right market through the right people.



NATIONAL BANK OF BAHRAIN

We know Bahrain better

P.O. Box 106, Manama, Bahrain
Tel-58800, Telex: 8242 NATBNK GJ

GPR

Hotpoint
QUALITY
APPLIANCES

ROOM AIR CONDITIONERS
FROST FREE REFRIGERATORS
AUTOMATIC WASHING MACHINES

KHALAIFAT EST.

Old Palace Road
PO Box 5111
Bahrain
Telephone: 50529

Blue sky over jade green sea

by Penelope Turing

There are surprising things about Bahrain, and one of them is its beauty. A world reputation built on oil, commerce and banking does not immediately suggest visual beauty and yet the new arrival will find its pure colours most striking.

The capital cannot claim beauty of line. A number of fine modern buildings are rising at Al-Manamah and when all the work is completed it will be a handsome twentieth-century city—there is little that is old and also attractive—but at present there is too much dust and rubble, and there are too many bulldozers and cranes to make a pleasing whole. It is the natural setting which takes the eye and imagination.

In the bright clear sunshine of a winter day there are few places in the world which can compare with Bahrain's vivid blue of sky, transparent jade green sea and golden sand. Where irrigation has conjured trees and flowers from the dry soil it is easy to understand that this little group of islands was one of the claimants to have been at least a suburb of the Garden of Eden.

Pearling was its ancient industry, and the first reference to pearls is believed to be an Assyrian inscription of 2,000 B.C. Until the early 1930s pearl fishing remained the chief trade, and one can still see a few of the traditional pearling dhows. They can be hired for fishing expeditions.

Romance is almost forgotten in the bustle of modern life, but Bahrain is a pleasant place. It is not and is never likely to become an

international tourist resort—the state is too busy with the state and more profitable concerns. But it is a haven of relaxation for Europeans and Arab businessmen who work in some of the neighbouring and less liberal Gulf states.

Apart from the uncomfortable hot and humid months from July to September the climate is good and healthy. European residents are usually keen to stay on in Bahrain and not solely for financial reasons.

The Bahrainis are cheerful, humorous and provided that Westerners understand and honour their strict codes of courtesy and hospitality, very friendly.

Hotels among world's most expensive

With an economy based entirely on international business, Bahrain is geared for a constant stream of professional visitors. This means that the services provided—such as accommodation and food—are generally of excellent standard and costly. Bahrain has the dubious honour of being one of the most expensive places in the world. There is little or no middle-priced accommodation as in European cities.

Hotel accommodation has for some time been a problem and an embarrassment because there is simply not enough of it, and double bookings and other shocks occur from time to time. However the situation is not so bad as it is often painted,

and new hotels are now being built.

The vital thing is to make hotel reservations well in advance—four weeks if possible. British Airways has a hotel reservation service and is ready to help; it has a good record in booking parties such as trade groups, but again it needs as much time as possible.

The Delmon Hotel is best placed for most business visitors as it is in the centre of Al-Manamah's commercial and banking district. It is well run and equipped with pleasant rooms, swimming pool, good food, courteous and generally efficient staff.

The Bahrain Hilton is about 10 minutes' walk from the commercial centre and close to the British Embassy. This is a handsome, luxurious establishment with a patio around the swimming pool where on Sunday evenings barbecues are held from April to November. Its 183 rooms are to be increased to 300 in 1978.

The Gulf Hotel with 250 rooms is the largest of the three and is in the south of the city, about 10 minutes' drive from the commercial centre. It too has comfortable rooms, a swimming pool and the usual complement of restaurants and bars.

Charges are more or less the same at all three hotels with the minimum price for a room about \$45.

Standards of cuisine and service in the hotel restaurants compare well with Europe. The Delmon's supper room, El Lelieh, is a pleasant place to entertain, and the Hilton's buffet lunch is attractive to eye and palate. Much of Bahrain's business entertaining is done in the hotels. Popular restaurants are

Keith's and Sasha's. Most restaurants provide music in the evenings—if you want to talk over your meal eat well before 11 pm. Bahrain has no nightclubs but there are bars and the hotels have discotheques.

Work starts early with most offices opening at 8 am. Shops stay open from 8 am to 1:30 pm and 3:30 to 6:30. Banking hours are 7:30 am to 12:30 pm Sunday to Wednesday, and 7:30 to 11 on Thursday. All are closed on Friday.

There are various special services for businessmen such as the Arabic-English-Arabic translation service operated by a public relations company. It publishes regular English translations of local press reports and the Official Gazette.

Behind and beyond the modern facade there is still much of Bahrain's ancient history to be explored. Large areas of the main island are dotted with prehistoric grave mounds. There is the ruined Bahrain fort built by the Portuguese 400 years ago, and the Sog al-Khazim Mosque is the oldest in the Gulf. Craftsman—potters, weavers and boat builders can still be seen at their traditional work, and there is an excellent museum near the airport which shows the whole saga of the island's history.

Tours to visit historic places and see their inhabitants are organized by Bahrain Explorers and can be booked through Thomas Cook.

British Airways have 13 flights between London and Bahrain. Normal flying time is six to seven hours with Concorde four and a quarter hours. Return fares: Concorde £842; normal first class £732, economy £514.

by Roger Vielvoye

Bahrain's oil industry is one of the oldest in the Gulf and, unfortunately for the Bahrainis, it is beginning to show its age. Oil reserves that first pumped out oil in the 1930s are now well past their prime and a slow decline in production has set in.

Output is now about 65,000 barrels a day—one of the lowest in the Middle East—and is kept at that modest level only by the use of expensive secondary and tertiary methods of production.

But there should be sufficient reserves to prevent the decline from becoming steep over the next few years, although in the longer term—probably starting in the 1980s—production will begin to shrink more rapidly. It is not expected that any significant new reserves will be found.

Bahrain's oil industry provides an example of the way in which the international oil groups that opened up the Middle East tried to ensure that they were not bothered by competition from companies outside their exclusive circle.

The first interest in oil came from a New Zealand seer, Major Frank Holmes, who acquired a concession from the ruler in 1924. He tried to bring in a number of large oil companies as partners. These included Anglo-Iranian (later to become British Petroleum), Shell, Burmah, and Standard Oil of New Jersey (now the Exxon Corporation). All passed over the chance to buy into the concession, leaving Gulf as the

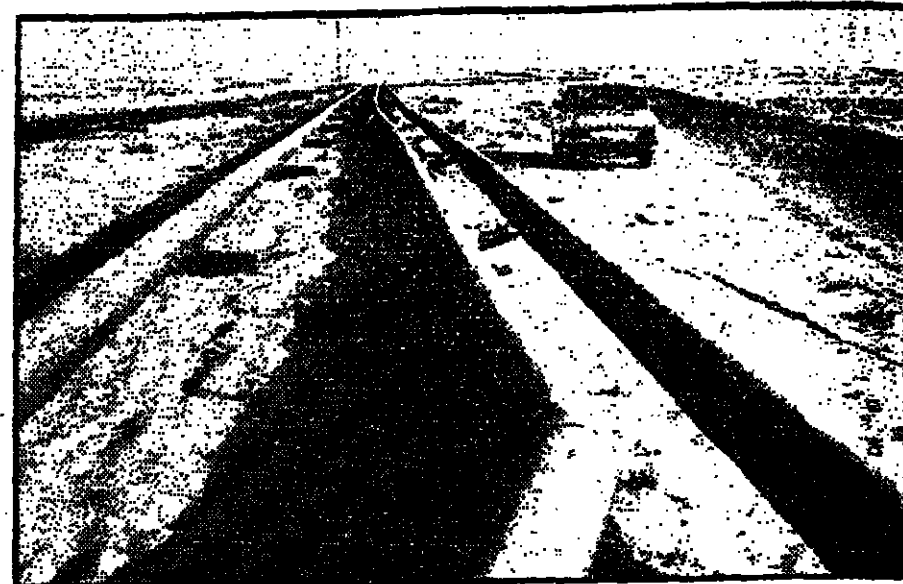
only big corporation involved.

Gulf had carried out its own survey of the island and was keen to begin exploration drilling but was thwarted by being a signatory to the "red line agreement" which was designed to eliminate competition among the oil companies in the Middle East.

Secret deals dominate early days

Under this agreement oil companies could not develop any oil concessions within an area of the Middle East, defined by a red line on a map, without the permission of the Turkish Petroleum Company—later to become the Iraq Petroleum Company. IPC declined to give Gulf permission for development or to buy the Bahrain concession so the American company looked outside the red-line territories for a buyer and found the Standard Oil Company of California.

Even then the secret deals that dominated the early days of the Middle East oil industry held up the sale. Gulf quickly discovered that Bahrain had an agreement with British oil companies from exploiting any oil reserves. To surmount this difficulty Standard Oil of California registered a new company, the Bahrain Petroleum Company, in Canada and was able to begin drilling through this company in 1931. Within



The 34-mile pipeline from Damman stretches across Bahrain.

seven months it had struck oil.

Ironically for the signatories of the red line agreement, Standard Oil of California's foothold in Bahrain was just a prelude to its success in crossing the narrow seas into Saudi Arabia and signing up the first concession in the world's richest oil-producing country.

After showing Standard Oil that there might be potential for further exploration in Saudi Arabia, Bahrain is now in the shadow of its powerful neighbour. Within a couple of years of the first oil being found on the island, Bapco had established a small oil refinery.

Refining has grown to be one of the main industries and the Bapco plant has the capacity to handle 250,000 barrels a day, the bulk of

which is piped from Saudi Arabia. The refinery is still exclusively in the hands of Bapco, although the Government has belatedly followed the example of its neighbours by establishing a state oil company and taking a controlling interest in national oil production facilities.

Natural gas fuels local industry

Bapco has spent substantial sums on modernizing the refinery and has also installed units for producing low-sulphur fuel oil. The latter has enabled the Bah-

rainis to investigate the possibility of producing petroleum coke, which is an important ingredient in the local aluminium smelting business. As a result, home-produced material could replace imports.

Natural gas from local fields is also used to fuel the aluminium refinery. The deep Khuff gas reserves were discovered in 1971 and are conservatively estimated to contain between 6,000,000 and 10,000,000 cu ft of gas. The field which is producing gas from below 10,000ft is at present yielding 300 million cu ft a day. The smelter is the biggest customer but a sizable portion is also reinjected into the oilfields, to assist production. Gas is also used to fuel power and desalination plants.

"The company and its staff wish all success to H.H. Shaikh Isa Bin Sulman Al Khalifa and the people of Bahrain"

The company are proud and honoured to have been allowed to share in Bahrain's success.

Jay Brown are the leading Design/Construct company in Bahrain. Our client list says so.

The Ministry of Interior
The Ministry of Housing
The Chartered Bank
National Westminster Bank
Chase Manhattan Bank
European Arab Bank
Commercial Bank of Australia
Manufacturers Hanover Trust
Union De Banque Arabes U.B.A.F.
Banque L'Indochine et Suez
Korea Exchange Bank
Bank of Nova Scotia
Lloyds Bank International
Midland Bank
Bankers Trust Company
Security Pacific National Bank
Merrill Lynch Inc.
Charles Fulton (Gulf) Ltd
Exxon Middle East
Bahrain National Oil Company
Gray Mackenzie & Company Ltd
St. Christophers School
United Building Factories
Al-Saudi Bank
World Travel Service
The British Council
The Bank of Tokyo
Texas Commerce Bank
Bahrain Monetary Agency
and many more

We are proud of our 5th achievement made possible by:

* Careful planning and organisation of growth from a one man start in January 1976 to a now staff of 50.

* Having a permanent management and professional staff and skilled tradesmen.

* Insisting that all activities of the company are controlled and operated in Bahrain.

* Help, guidance and understanding from our clients and not least of all the people of Bahrain.

* Close liaison with local suppliers.

For your requirements in terms of Design, Construction, Shop Fitting and Furnishing let JBME be part of your move into the State of Bahrain.

Jay Brown (Middle East) Ltd, P.O. Box 830, State of Bahrain
Telephone: 56460 Telex: 8664 GJ. A member of the Uniting Group.



The Jashanmal building is among the bigger stores of Al-Manamah.

Readers have to settle for a chapter

by Patrick O'Leary

Up-to-date books about Bahrain are thin on the ground. Generally the reader has to be content with those which devote one chapter to the country in a general work about the Gulf.

A book of this kind just published is *The Gulf States and Oman*, by Christine Osborne (published by Croom Helm). It is written in lively style, and has the advantage of being illustrated by the Australian author's own photographs.

She has some perceptive advice for businessmen hoping to break into Gulf markets. Her references to Australian imports is a reminder that Bahrain looks East as well as West for trade links. For the benefit of bachelors, Christine Osborne points out that the social life of Al-Manamah is enlivened by the air hostesses based at Al-Muharraq airport.

Welcome to Bahrain by James Belgrave (the Augustan Press, Al-Manamah) is a sympathetic, comprehensive account of the country. It has run through nine editions in 25 years, and been translated into Arabic. Unfortunately, it was last reissued in 1975, and a new edition would be useful to

bring some of the reference material up to date.

The maps are particularly good, being large enough to include everything of importance without being difficult to follow. Mr Belgrave's full bibliography must surely include nearly every work about Bahrain worth reading, whether in English, French or Arabic.

Apart from more conventional topics, there are chapters on Arab horses and the country's stamps. Another offers advice on gardening in a climate where the annual rainfall is only about three inches.

Fast-changing scene outdates annuals

British Overseas Trade Board's Bahrain edition of *Hints to Businessmen* is required reading. It has all the usual ported facts, and advice on climate, clothes, and health. Particularly useful are the notes about office hours, and the dates of holidays, which can be long and inconvenient in Arab countries.

A number of other annual publications do their best to keep up with a fast-changing scene. Since all cover several countries, none quite qualify as the kind of

volume you can slip in your pocket.

The *Gulf Handbook* (Trade and Travel Publications) includes a smoothly-written précis of the history and prehistory of Bahrain. It also has a handy month-by-month diary of the principal events in the year preceding publication. This includes information about big investment schemes and the award of important contracts.

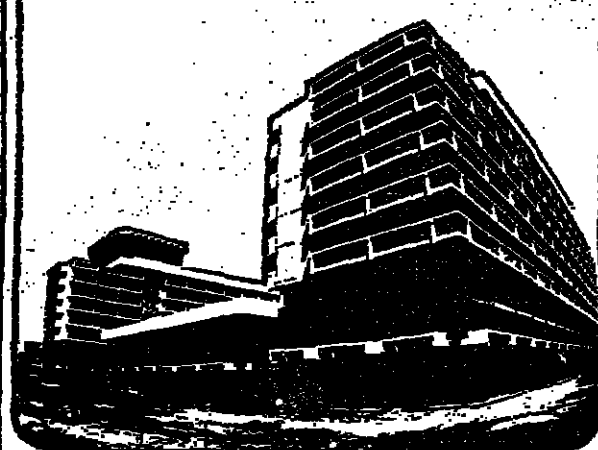
In *Gulf Guide and Diary* (Middle East Review Company) current developments in the country and future prospects are compressed into a few pages. For example, it suggests that service flats may be built as an alternative to firms opening offices or taking hotel rooms for resident staff. This is a loose-leaf publication, so you can detach the country or countries you want to save space in your briefcase.

Finally, *Arab Countries: Handbook for the Businessman and Traveller* (Traveller, Athens) contains information as diverse as the fact that Muna Sulman has a free travel visa for manufacturers, and the statistic that Gulf shrimps come third only to oil and aluminium in the list of Bahrain's most valuable exports. It also has a guide to local prices for a haircut, a pound of coffee and other luxuries, as well as a reminder that medical and dental attention can cost perhaps £10 a visit.

Cluttons Chartered Surveyors and Property Consultants Manama Centre

Prestige showroom, office and residential accommodation available for immediate occupation. Long leases at fixed rents, central airconditioning throughout.

For Professional Service throughout the Gulf Contact:
BAHRAIN OFFICE MANAMA CENTRE
P. O. Box 5856 Tel: 57667 or 59551
OR
P. O. Box 1488, Tel: 225201
DUBAI, U.A.E.



AMIRI CONSTRUCTION and MAINTENANCE

CIVIL, MECHANICAL & ELECTRICAL ENGINEERING CONTRACTORS AND MANUFACTURERS AGENTS

A complete service to industry

AMIRI
POB 564 TEL 713095 BAHRAIN

Bank of Bahrain and Kuwait

BSC

offers a personal and comprehensive service

CAPITAL AND RESERVES EXCEED BD 11,000,000

Head Office and Main Branch

Government Road, Manama, P.O. Box 597, State of Bahrain

Telex: Foreign Exchange: 8284 GJ
General: 8919 GJ

Telephone: 53388

Development bond satisfies main needs

by Ann Fyfe

Attracting foreign exchange and generating employment for Bahrainis are the two factors governing finance policy. Both budget and visible trade balance are in deficit, though to a small amount, but it is politically unthinkable to cut back government spending in this country of high expectations.

That is the underlying reason for the direction which the search for diversified revenue sources has taken—the direction of welcoming foreigners in large numbers.

Total state revenue is shown in the 1977 budget as BD235m (about £35m) of which oil provides BD120m. Oil output declined in 1976 compared with the previous year and will continue to fall consistently. Spending, on the other hand, rose to BD248m and it must be assumed that for political reasons government spending cannot be reduced significantly in the near future.

The need therefore is for sources of revenue other than oil and aid. The latter added up to slightly less than BD41m in 1977, mostly from the neighbouring OPEC states of Saudi Arabia, Kuwait and the United Arab Emirates. Bahrain's proximity to these states has to be borne in mind in an evaluation of the island's economic prospects.

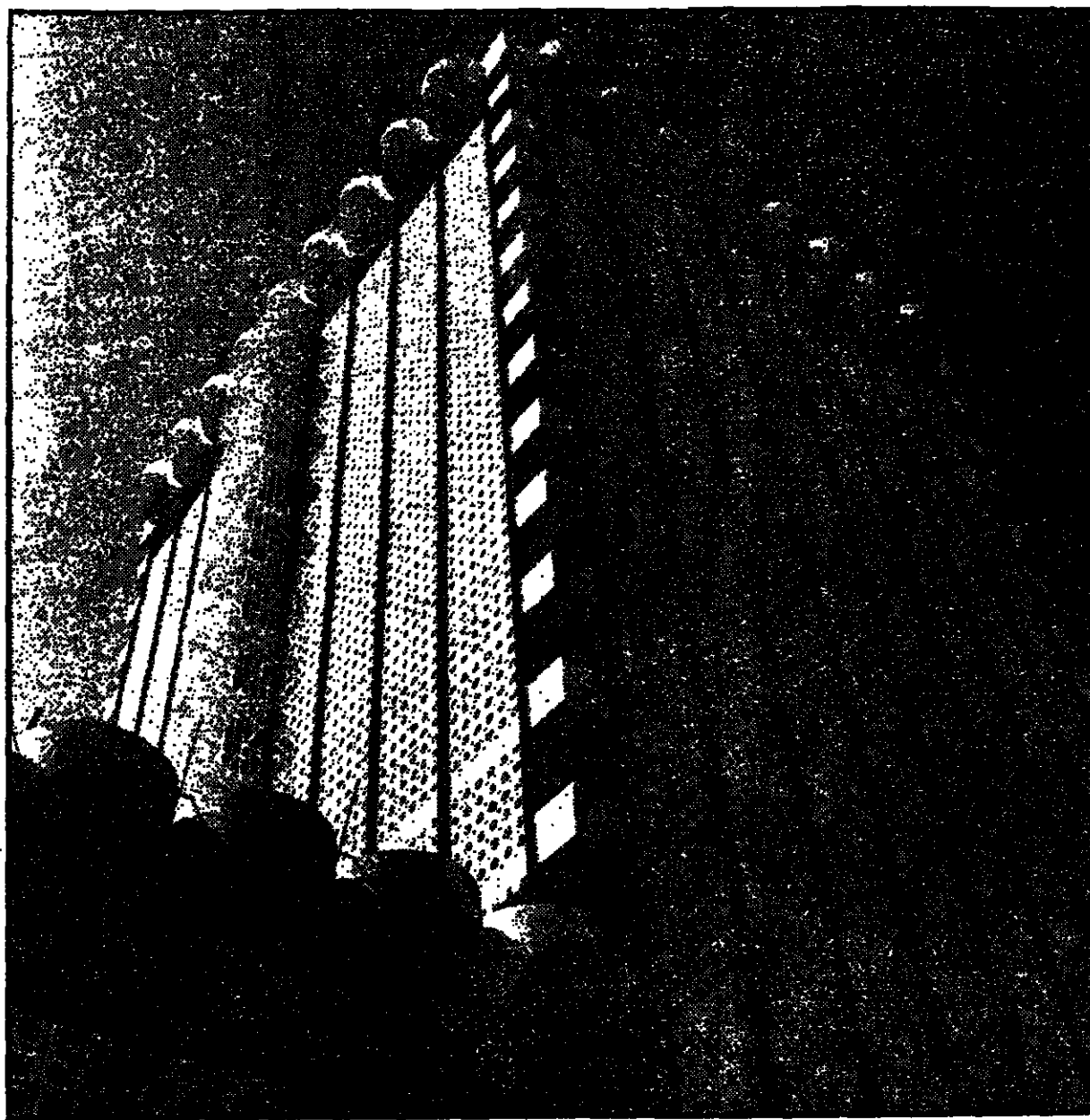
Bahrain's first development bond, issued in the summer, satisfied three main needs. First and foremost it raised money for development projects, but it also supplied a safe investment for the embryonic institutional investors—the private and the new state pension and insurance funds—which have grown up in the past two years. Third, it absorbed liquidity and helped to curb inflation.

Total money supply grew at a rate of 65 per cent in 1976 and, although the upward curve of government spending had already been arrested as more projects reached completion, bank lending was still expanding.

The rate of growth in money supply this year has been about 30 per cent. Because of over subscription, the original bond issue of BD10m was raised to BD14m and was still oversubscribed.

The five-year bond will be fully negotiable by banks and by the Bahrain Monetary Agency and a 8 per cent coupon, if compared with the 8½ per cent required of borrowers in the four recent dinar commercial bond issues, is an indication of the Government's credit rating.

Attracting foreign exchange is the motive behind most of the state's general policy of encouraging large foreign companies and particularly offshore banking and, under a recent ministerial decree, offshore companies of other kinds as well. Mr Alan Moore, Bahrain's monetary adviser, estimates that the offshore banking units (OBUs), which numbered 32 with assets of \$13,200m by August this year, earned about \$25m in 1976, before



The National Bank of Bahrain, one of the modern buildings dominating the business quarter.

all the licences had been taken up.

He also estimates that when all licensed OBUs are fully operational their foreign exchange contribution will rise to \$40m in 1977, and about \$50m thereafter, enough to cover the visible balance of trade deficit running at \$45m in 1976 and \$30m in the first two quarters of 1977.

These foreign exchange calculations refer to expenditure in Bahrain by the banks and their staffs. Mr Moore calculates in addition that the banking sectors as a whole comprises about 2,000 jobs divided equally between the onshore and offshore banks and that of these 80 per cent are filled by Bahraini nationals onshore and about 50 per cent offshore.

Expatriate staff, on the other hand, remit their savings to their home countries; this sizable debit on the invisible account perhaps being balanced by inflows of private capital from neighbouring countries in the form of property investment and the like.

Similarly, recent ventures into bond issuing for overseas borrowers and the still more recent invitation to merchant banks to open in Bahrain have as their aim the attraction of foreign assets of \$13,200m by August this year, earned about \$25m in 1976, before

Mexico, one each for the Philippines and for Algeria's state navigation company, all at 8½ per cent.

It is not envisaged that Bahrain will become a major capital exporter but over and above the resultant foreign exchange earnings both the bonds and the merchant banking licences will bolster the size and reputation of the island as a banking services centre.

Gulf Air, with its staff of more than 5,000, and Cable and Wireless, both of which have their regional headquarters in Bahrain, are examples of companies basing themselves on the island for its welcoming attitude to expatriates and its superior facilities.

A recent ministerial decree, using a clause in the 1976 Companies Act, announced that companies whose business is largely external to Bahrain will be permitted to open offices there without observing the onshore local partnership regulations. Such ventures will again pay rents, make purchases, use facilities in Bahrain and employ Bahrainis. They will also pay an annual offshore licence fee of BD2,500m.

Company registration fees are shown as BD1,600,000 in the 1977 budget under a government fees and taxes heading totalling BD26m. Changes, mostly increases have now been introduced

in the registration fee system and this heading can be expected to show substantial increases in subsequent budgets.

Meanwhile, the main chapter under this heading is customs duties and port fees which brought in more than BD19m in this fiscal year.

Two large projects in the service sector are looked on as the large-scale foreign exchange earners of the 1980s and large employers—the causeway to Saudi Arabia, which will boost the leisure services sector, and the Arab Shipbuilding and Repair Yard (ASRY) dry dock. Work has not started on the former, which is being paid for by Saudi Arabia; the latter accepted its first ships in October, although its profit projection is not being released.

On the visible account, exports mean Alga, which has a turnover of about \$120m, and the Bapco refinery. Alga employs more than 2,000 staff, the majority Bahraini, and its foreign exchange earnings have been estimated at more than \$50m. Balance sheets are not available for the refinery, which employs more than 3,200 staff of whom 90 per cent are Bahraini, but throughput in 1976 averaged 220,000 barrels a day and its contribution to the balance of trade is the difference between

the price paid for Saudi Arabian crude (which makes up four fifths of throughput) and the export price of the refined oil.

Further investment in heavy industry is unlikely because of demographic and financial considerations. The private manufacturing sector is small—accounting for a declining share of bank lending. There is no figure for the Bahrain gross domestic product.

Dollars & Sense



Finance serves industry. But, in one important respect, the financial world has left industry far behind... the transmission of data at high speeds, and in the security of communication by voice, telex, or telegram. It saves dollars, makes sense.

Of the world's top ten banks, eight use private circuits leased from Cable & Wireless. We are pioneers in world telecommunications, laying cables, creating telephone systems, linking satellites and earth stations.

Banks use leased circuits for foreign exchange dealings. Industry needs them for monitoring

operations. A private leased circuit gives you your own line (or lines) 24 hours a day. You can send high-speed data, use the telephone, use the telex, link computer to computer... In total security. You need never go through any operator except your own. You need never wait hours until an international line is "free". The circuit is yours. Full-time. And the more you use it, the cheaper it gets.

Ask Cable & Wireless to survey your telecommunications needs. No one can clear your lines more easily. Contact us by telephone, telex or telegram at the address below.

Cable & Wireless

Telecommunications in Banking

Head Office: Mercury House, Theobalds Road, London, WC1X 8PU. Tel: 01-242 4433. Telex: 23181. Cable & Wireless and its associates operate throughout the world and have offices in Bahrain, Dubai, Fujairah, The People's Democratic Republic of the Yemen, Casablanca, Sharjah, Ras al Khaimah, and the Yemen Arab Republic.

Foreign trading companies must by law have local partners

Opportunities for members of the professions and for businessmen in general derive from Bahrain's position as a service centre for the Arabian peninsula as well as from its own internal market for goods and services. This is how Bahrain, with its superior facilities and easy acceptance of Western life styles, wishes to be regarded and great efforts in recent years have gone into the creation of an efficient business milieu.

If there is a drawback, it is that Bahrain is very expensive. High prices and rents in particular are one of the most immediate means by which wealth is transferred from the expatriate business to the Bahraini community.

To establish a trading company, the foreign businessman must by law have a Bahraini partner whose shareholding must be not less than 51 per cent. Other types of enterprise, such as contractors, need only a Bahraini sponsor, who may or may not share in the equity, but the Government is believed to be thinking along the lines that the local partner's involvement, and thus his responsibility, should be greater than simply arranging the visas. Recent bank-upties have reinforced this point of view.

Lawyers need a Bahraini associate but accountants do not. The latter are required only to have a sponsor but many of them do choose to enter into some form of relationship with a Bahraini. There seems to be a degree of fluidity in the applica-

tion of these regulations, depending basically on how highly the Government values the particular business's presence on the island.

The Ministry of Commerce gives the impression at the moment that insurance companies would be welcome, while there are more than enough architects. Mr Hassan Nusuf, Under-Secretary for Commerce explains that if a professional concern is well-known and highly reputable it would not always be necessary for a local sponsor to be engaged; otherwise a sponsor would be recommended and if the practice concerned chooses to go as far as partnership with a citizen, so much the better.

Offshore companies, defined as those whose transactions are largely external to Bahrain, are under a recent interpretation of a Companies Act clause to be exempted from all local partnership rules whatever their sphere of activity on the island. Payment of a BD2,500 annual registration fee. Steps will be taken to ensure that the offshore offices are properly run with staff and accounting on a brass plate only. The aim of the exercise is to encourage foreign exchange-bearing business to Bahrain, not to turn the island into a tax haven.

Because the legal position is not rigid, the businessman's first port of call should be the Companies Registration Office for negotiations on his registration

fee. These have recently been altered and much depends on how the company is described. Second, he should familiarize himself with work permit procedures.

Work permits and other pieces of vital paper are not difficult to get for foreigners at present. The theory is that the skill in question should be scarce on the island. But these and all other dealings with government offices are time consuming.

Bahrain has not been affected by the backlash against foreigners which is affecting its neighbours but the Bahrainis are not in a minority in their own country. Foreigners represent only about 20 per cent of the total population and there is a common awareness of the benefits of cosmopolitanism. To remain popular, however, a company might see fit to do a reasonable amount of its subcontracting locally, as well as its purchasing and, where applicable, its recruiting.

Costs will be in the forefront of the entrepreneur's mind. A calculation of an initial year's setting up and running costs might resemble the following (amounts in Bahraini dinars): Office rent (1,000 sq ft at BD8 a sq ft), 8,000; villa rent (three-bedroomed average), 15,000; executive's salary, 10,000; secretary's salary, 4,000; office boy's salary, 1,900; furnishing (house), 2,300; furnishing (office), 1,500; electricity (house), 400; electricity (office), 200; air passage (self and wife

return), 500; making a total of BD45,000.

To this must be added the variables of children's education at boarding schools in the United Kingdom, travel and entertainment allowances, and buying a car. In all the amount will not be less than BD50,000 and is likely to be nearer BD60,000.

By agreement with the British Embassy (which is incidentally most active and helpful), if a tighter budget is envisaged, it is permissible and quite common to run an office from one's home, thus paying only one rent. Rents have tumbled in the past six months—by as much as 30 per cent in some sectors of the market excluding the top end, and flats particularly are standing empty.

Telephones and telegrams (in most areas) can be obtained from Cable and Wireless. For importers Port Sulman has had no congestion since the spring of this year although handling charges are relatively high. Bahrain International Airport has the best freight facilities in the region.

No foreign exchange controls of any kind or taxation are in force at present but it should be borne in mind that Bahrain is a state needing revenue to maintain a politically necessary standard of social services and other benefits for its citizens. The business life in Bahrain is problem free compared with that of other states of the Middle East or of other developing countries in general.

A. F.

TRUST ASRY

LISNAVE KNOW-HOW AND EXPERTISE IS THERE



LISNAVE, the largest and most experienced VLCC Repair Yard in Europe and the management company of ASRY has the honour of announcing at the official inauguration of the ASRY facilities that under its management contract has designed these facilities, planned and controlled the whole construction phase, organized the operational and administrative services of ASRY to the LISNAVE well-tested high standards. All was done within the programme and budget presented to and approved by OPEC/ASRY in 1974. LISNAVE being responsible also for the management of the operational phase, fully supports ASRY's operations.

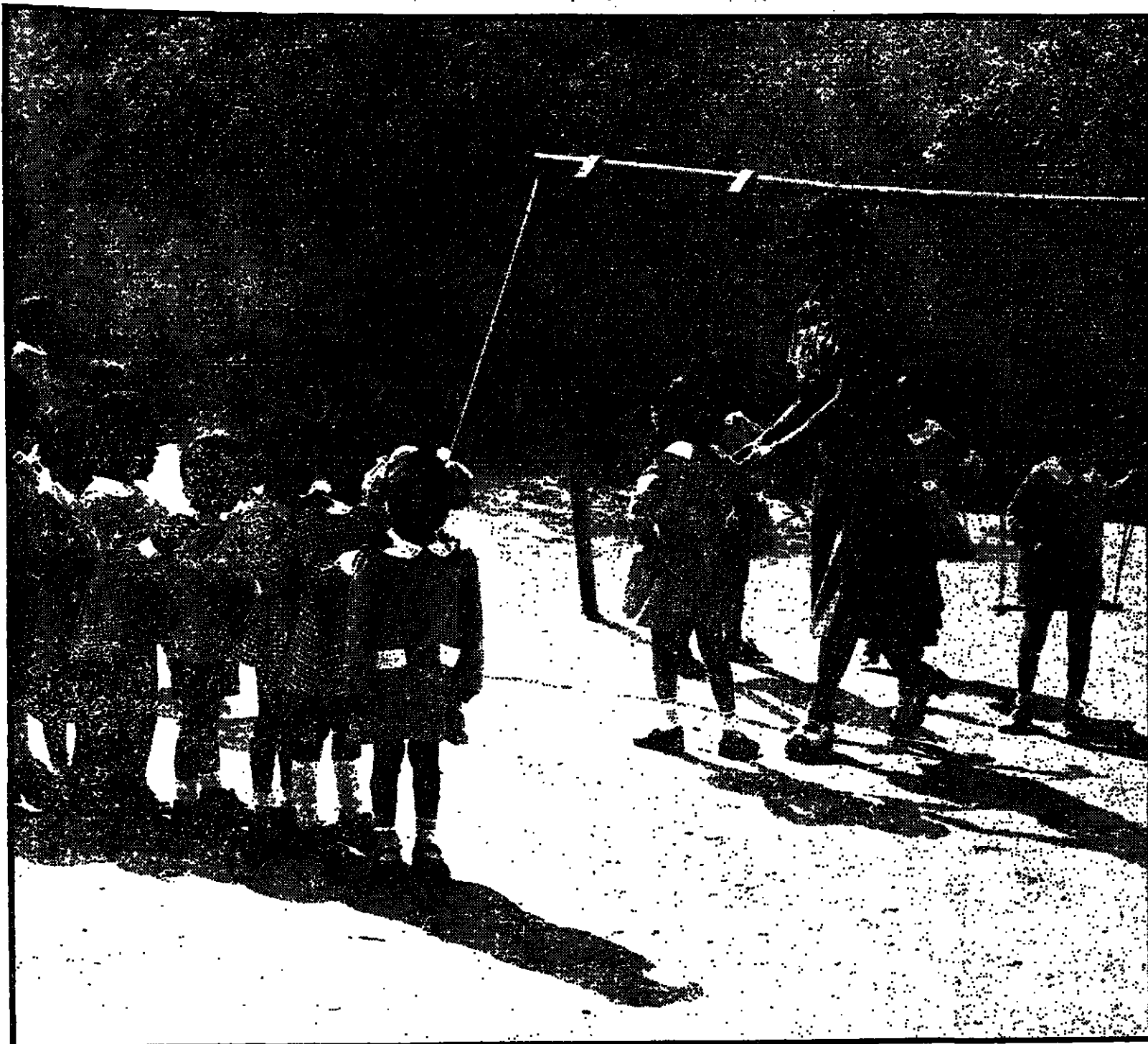
MAIN EVENTS IN THE ASRY PROJECT LIFE:

- 1972 TO 1974—OPEC and LISNAVE cooperate in the study of the economic viability of the BAHRAIN Shiprepair Yard.
- JULY 1974—LISNAVE signs with OPEC a management contract covering the construction and operational phases of ASRY.
- 30-NOV-74—H. H. the BAHRAIN Ruler and H. E. the Sheik Zaki Yamani lay the corner stone at the inaugural ceremony of the yard.
- MAY 1975—Launching of ASRY's Training Center in BAHRAIN.
- JUNE 1975—Award of contracts for dewatering of drydock, cranes and mgs.
- OCTOBER 1975—Award of civil construction contract.
- DECEMBER 1976—First jetty operational mainly for reception of ASRY's equipment.
- 24-SEPT-77—First drydocking of ASRY's owned Tug Arad and 10,000 dwt pontoon.
- 23-OCT-77—First drydocking of a VLCC, the 231,000 dwt 'Ambrasana'.
- 15-DEC-77—Official inauguration of ASRY.

For further informations please contact Lisnave: the largest and most experienced VLCC repair yard in Europe

through its International Company: **NAVELINK S.A.**
AV. MON-REPOS 22
CH 1005 LAUSANNE-SWITZERLAND
TELEX 26106 NAVE

Handwritten text in a box: 150/20/150



Great care is being taken to support the welfare of one of the country's precious resources, its youth, with the proceeds of the other, oil. Left: a nursery school run by a women's association. Right: a class at a Roman Catholic school in Bahrain.

Dresdner Bank in Bahrain

Rolf Hagemann

Representative
Dresdner Bank AG

Kanoo Tower
Phase III-7th floor
P.O. Box 55 67
Manama, State of Bahrain
Tel.: 5 65 26, Telex: 87 44

Dresdner Bank
Head Office:
7-8 Gallusanlage
6000 Frankfurt/Main
Federal Republic of Germany
Telephone: 2631, Telex: 412 30

Refinements for the sport of emirs

by Patrick O'Leary

In about a year's time a day at the races in Bahrain will include such refinements as a modern stand, closed circuit television, photo finish equipment, and a twin grass track. A dramatic view of an escarpment will remind visitors they are not in England but in the heart of a Gulf country.

The island's Equestrian and Horse Racing Club was formed more than 50 years ago. In the past meetings have been held at Muharrag and in Al-Manamah. At present races between Arab horses, and sometimes camels, take place on a sandy track at Saifra, some miles from the new site.

Advice about the project has been given by Britain's Jockey Club, and other countries have been consulted. A delegation from the supreme council of the Equestrian Club spent 12 days in Australia last month.

On his return Mr Sharaf Ahmed Al-Alawi, director-general of the club, said: "There will be two tracks, each 20 metres wide, because racing will take place each week in winter."

"The course will be one and a half miles round, with a six-furlong straight. It will have 500 stables, with a show jumping course, riding school and polo pitches; the complex will also include an 18-hole golf course. It will be open to family membership."

Mr Al-Alawi said the cost of the whole project was likely to be about £5.5m. The races would be for Arab horses, which are noted for long distance running, whereas the English thoroughbred is generally rated best over distances of five furlongs to two miles.

Mr Al-Alawi said: "There may be invitation races for British and Australian horses, but not against Arab horses. India has both Arab and English racing, and some very beautiful racecourses. I think Bombay is the best."

British contractors and architects are participating in the project. The site is subject to strong winds, the highest recorded being 100 mph, so tests were carried out on a model of the racecourse stand at Britain's Building Research Establishment.

Mr Stuart Mobsby, resident architect, said he expects it will be possible to hold races in December next year, even if the whole project is not completed. He is not a racing man himself: "I am an industrial architect, and have only ever been to three or four race meetings."

Water supply plays an essential part in providing the twin tracks. The soil is fertile, but only plant providing a steady supply of pure water will keep the grass in good shape. Arab stock has played an important part in the development of Western thoroughbreds from the seventeenth century. The Jockey Club hopes that

wealthy shaikhs will take a direct interest in English racing.

Bahrainis like to show off their falcons, and it is not unusual to see a hooded bird carried through the streets of Al-Manamah on the padded arm of its keeper. Most prized are gerfalcons from Iran, and the Greenland falcon, which is pure white, apart from jet black tips to its feathers.

Strangely, these birds of prey are sensitive and difficult to rear. A British firm is building a specially designed house for them in mid-Bahrain.

Because the birds have to be protected from strong sunlight, the house lies east to west, with outside windows only on the north wall. On the other side are viewing galleries with one-way glass to prevent the falcons knowing they are under scrutiny.

An American expert will advise on the rearing of the birds. Another Bahraini hunter, the saluki, retains its graceful looks but has little work to do. Packs of these dogs were used to hunt gazelle and hare, but such game is now scarce.

Camels are sometimes ridden for sport. But they are not used as pack carriers in the island, a role left to donkeys when they have not been superseded by road vehicles.

For the Bahraini boy, the king of sports is football. Wherever there is an empty space in towns, impromptu games are carried on. In a deserted mansion on the east coast, once the home of wealthy Persian merchants, goalposts have been installed in the great courtyard.

But Mr Essa Muhammad Al-Khalifa, general secretary of the Supreme Council for Youth and Sport, said other sports such as handball, volleyball and swimming were becoming popular. "Even some of the girls have taken up basketball", he added.

"The council is headed by the Crown Prince. All the ministries concerned, for example, education and social affairs, are represented."

"Bahrain is a young country, with 65 to 70 per cent of the population under 21. We are thinking of establishing youth centres for hobbies and other activities. But first we must find out what the young people need. With the help of Unicef we have carried out a survey. The results are in the computer now, and we hope to have the report soon."

The general secretary went on: "We are also carrying out fitness tests on students. Do they perhaps need more food? It is no use developing sports facilities that will not be used."

A sports city is being constructed near Isa Town, the seat of the government, with a 30,000-seat stadium, and an Olympic-size swimming pool. It will be used for national competitions and for matches against visiting international teams. Larger international teams, larger One Western sport Bah-



Arabs like to show off their hunting falcons, carried hooded on the padded arms of their keepers.

rainis have quickly made their own is golf. The original sandstone course, on which players carry a little patch of plastic grass from their own yards, was left high and dry when land reclamation came between it and the water. Tennis and squash have their followers, and there is even cricket at the game, and the last Bahrain the Bahrain Sports Club.

National Shipping Agency

PEARL OF BAHRAIN

BUILDING BRANCH

A PERSONAL EFFICIENT
SHIPPING AGENCY

P.O. BOX 5801, MANAMA,
STATE OF BAHRAIN

TELEPHONE: 58858 3 LINES

TELEX: 8901 GOSHIP GJ

CABLES: GOSHIP - C.R. NO.872

three held
Holden
murder case

Arabs like to show off their hunting falcons, carried hooded on the padded arms of their keepers.

Arabs like to show off their hunting falcons, carried hooded on the padded arms of their keepers.

Arabs like to show off their hunting falcons, carried hooded on the padded arms of their keepers.

Arabs like to show off their hunting falcons, carried hooded on the padded arms of their keepers.

Arabs like to show off their hunting falcons, carried hooded on the padded arms of their keepers.

Arabs like to show off their hunting falcons, carried hooded on the padded arms of their keepers.

Arabs like to show off their hunting falcons, carried hooded on the padded arms of their keepers.

Arabs like to show off their hunting falcons, carried hooded on the padded arms of their keepers.